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AUTHORIZATION FOR THE 1984 LOUISIANA WORLD EXPOSITION

ORIGINAL

HEARING AND MARKUP

BEFORE THE

COMMITTEE ON FOREIGN AFFAIRS

AND ITS

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY AND TRADE

NINETY-SEVENTH CONGRESS

SECOND SESSION

ON

H.R. 6409

JUNE 21; JULY 13, 15, 1982

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CONTENTS

WITNESSES

Monday, June 21, 1982:

Page
Hon. Lindy Boggs, a Representative in Congress from the State of Louisiana 13
Hon. Bob Livingston, a Representative in Congress from the State of Louisiana 15
George L. Pratt, Director of International Expositions, International Trade Administration, Department of Commerce 16
Jay Stone, president, Jay Stone & Associates, representing Hon. David C. Treen, Governor, State, of Louisiana 30
Anthony J. Mumphrey, Jr., representing Hon. Ernest N. Morial, Mayor, city of New Orleans 32
Petr L. Spurney, executive vice president and general manager, Louisiana World Exposition, Inc 33

Tuesday, July 13, 1982 (subcommittee markup):

Mary Ann Knauss, Deputy Assistant Secretary for Intergovernmental Affairs, Department of Commerce 65
Hon. Lindy Boggs, a Representative in Congress from the State of Louisiana 68
Thursday, July 15, 1982 (committee markup; no witnesses) 79

MATERIAL SUBMITTED FOR THE RECORD

Text of H.R. 6409, a bill "to provide for the participation of the United States in the 1984 Louisiana World Exposition to be held in New Orleans, Louisiana, and for other purposes 2
Memorandum dated June 18, 1982, from Sherman M. Funk, Inspector General, to Hon. William H. Morris, Assistant Secretary for Trade Development, Department of Commerce 28
Unemployment figures for Louisiana submitted by M. Stone 39
Budget figures for Louisiana, fiscal year 1981, submitted by M. Stone 39
Louisiana tax revenues from oil and gas production submitted by M. Stone 39
Text of the amendment in the nature of a substitute to H.R. 6409 with staff recommendations 50

APPENDIXES

1. Statement submitted by Hon. John Breaux, a Representative in Congress from the State of Louisiana 83
2. Statement submitted by Hon. Gillis W. Long, a Representative in Congress from the State of Louisiana 86
3. Statement submitted by Hon. W. Henson Moore, a Representative in Congress from the State of Louisiana 88
4. Statement submitted by Hon. Bill Tauzin, a Representative in Congress from the State of Louisiana 90

COMPLETED

AUTHORIZATION FOR THE 1984 LOUISIANA WORLD EXPOSITION

MONDAY, JUNE 21, 1982

House of Representatives,
Committee on Foreign Affairs,
Subcommittee on International
Economic Policy and Trade,
Washington, D.C.

The subcommittee met at 2:10 p.m. in room 2200, Rayburn House Office Building, Hon. Jonathan B. Bingham (chairman of the subcommittee) presiding.

Mr. **Bingham.** The Subcommittee on International Economic Policy and Trade will be in order.

We meet today to hear testimony on H.R. 6409, a bill introduced by our distinguished colleague from Louisiana, Mrs. Boggs, and others, to provide for U.S. participation in a world exposition being planned for New Orleans in 1984.

At this time, I would like to introduce H.R. 6409 for the record.

[The text of H.R. 6409 follows:]

97TH CONGRESS
2D SESSION

H. R. 6409

To provide for the participation of the United States in the 1984 Louisiana World Exposition to be held in New Orleans, Louisiana, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 1982

Mrs. BOGGS (for herself, Mr. LIVINGSTON, Mr. BREAUX, Mr. LONG of Louisiana, Mr. MOORE, Mr. HUCKABY, Mr. TAUZIN, and Mr. ROEMER) introduced the following bill; which was referred to the Committee on Foreign Affairs

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A BILL

To provide for the participation of the United States in the 1984 Louisiana World Exposition to be held in New Orleans, Louisiana, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with the Act entitled "An Act to provide for Federal Government recognition of and participation in international expositions proposed to be held in the United States, and for other purposes," approved May 27, 1970 (Public Law 91–269; 22 U.S.C. 2001, et seq.), the President is authorized to provide for United States participation in an international exposition to be known as the 1984 Louisiana

World Exposition (hereinafter in this Act referred to as the "Exposition"), to be held in New Orleans, Louisiana. The purposes of the Exposition are—

(1) to offer the citizens of the world a greater understanding and appreciation of rivers and fresh water as a basis of life, providing food, transportation, energy, generating related industry and commercial activity, and serving as a source of aesthetic gratification, social interchange and inspiration for the arts;

(2) to create an awareness of the need to conserve and protect the world's fresh water resources from the hazards of increasing demands, diminishing supplies, pollution and ecological disruption; and

(3) to stimulate international trade, encourage tourist travel in and to the United States, and promote cultural exchanges.

SEC. 2. (a) The President, through the Secretary of Commerce (hereinafter in this Act referred to as the "Secretary") and the other officials designated in this Act, are authorized to carry out in the most effective manner the proposal for United States participation in the Exposition, transmitted by the President to the Congress pursuant to section 3 of Public Law 91-269 (22 U.S.C. 2803) required by the 1928 Convention Relating to International Expositions, as amended, entered into by the United States at Paris on April 30, 1968 (hereinafter in this Act referred to as the "Convention"), and the General Rules for the 1984 Louisiana World Exposition, as approved by the Bureau of International Expositions.

(b) The President is authorized to appoint, without Senate confirmation, a Commissioner General of the United States Government for the 1984 Louisiana World Exposition, who shall be in the Department of Commerce and who shall be the senior Federal official for the Exposition. The Commissioner General shall have such duties and exercise such responsibilities as may be prescribed by the Secretary and as may be necessary and appropriate to fulfill the obligations of the United States Government under the Convention and the General Rules for the 1984 Louisiana World Exposition. The Commissioner General shall be compensated up to the rate of basic pay which is equal to the rate payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code and shall be conferred the rank of Ambassador.

(c) The Secretary shall designate a Commissioner General of Section for United States participation in the Exposition (as provided for in the proposal referred to in subsection (a)), who shall be in the Department of Commerce and who shall perform such duties in the execution of this Act as may be delegated or assigned by the Secretary, including serving as director of the United States pavilion.

SEC. 3. Subject to the availability of appropriations, the Secretary is authorized to—

(a) Incur all necessary expenses to carry out the purposes of this Act, including but not limited to, expenditures for the design, development, construction, installation, rental, purchase, or other acquisition of exhibits and materials and equipment therefor, and the actual display, dismantling, and disposition thereof.

(b) Lease such buildings and other structures or space therein (including commercial space for administrative purposes) and any land appurtenant thereto, and to make such improvements and renovations as may be appropriate for United States participation in the Exposition.

(c) Incur all necessary expenses for United States participation in the Exposition including but not limited to transportation, insurance, safekeeping and storage, maintenance and operation, printing, purchase of reference books, newspapers, and periodicals, and publicity.

(d) Enter into such contracts and agreements as may be necessary to provide for United States participation in the Exposition.

SEC. 4. The Secretary is authorized to obtain the services of consultants and experts as authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily rate in effect for grade GS-18 under the General Schedule, to the extent the Secretary deems it necessary to carry out the provisions of this Act. Subject to the availability of appropriations, persons so appointed shall be reimbursed for travel and other necessary expenses incurred, including a per diem allowance, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

SEC. 5. (a) The Secretary is authorized to recruit, train, and accept without regard to the civil service classification laws, rules, or regulations the services of individuals without compensation as volunteers for or in aid of those functions, services, or activities in and related to United States participation in the Exposition.

(b) The Secretary is authorized to provide for incidental expenses, such as transportation, uniforms, lodging, and subsistence of such volunteers.

(c)(1) Except as otherwise provided in this section, a volunteer shall not be deemed a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(2) For the purpose of the tort claim provisions of title 28, a volunteer under this Act shall be considered a Federal employee.

(3) For the purposes of subchapter I of chapter 81 of title 5, relating to compensation to Federal employees for work injuries, volunteers under this Act shall be deemed civil employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, and the provision of that subchapter shall apply.

SEC. 6. (a) The Secretary is authorized to—

(1) purchase for resale and to sell at fair market value without regard to the requirements or limitations of other statutes, books, brochures, recordings, souvenirs and other items in keeping with the theme of the Exposition and commemorative of the United States participation therein, and charge an amount sufficient to realize a reasonable profit thereon;

(2) enter into contracts and leases, including cooperative arrangements and concessions agreements, with respect to the sale of such items; and

(3) credit the proceeds therefrom to the appropriation for the United States participation in the Exposition. To the extent that such proceeds exceed the

amounts necessary to provide for such participation, they shall be recovered into the Treasury as miscellaneous receipts.

(b) The Secretary is authorized to provide free aid and assistance to visitors to the United States pavilion in emergencies.

SEC. 7. In fulfillment of the responsibilities attending the Government's official recognition of the Louisiana World Exposition, Incorporated (hereinafter in this Act referred to as "LWE, Inc."), as the organizer of the Exposition, and resulting from its position as the inviting Government, the Secretary of Commerce shall take all reasonable measures to facilitate the participation of other governments and their nationals, assure adherence to the letter and spirit of Bureau of International Expositions protocols, and collaborate with LWE, Inc., in its efforts and those of the Federal Government to successfully organize, develop, and administer the Exposition.

SEC. 8. Private individuals, firms, associations, agencies, and other groups shall be encouraged to participate to the maximum extent feasible in carrying out this Act and to make contributions of funds, property, use of property, and services which the Secretary is authorized to accept, to be utilized to carry out the purposes of this Act.

SEC. 9. The head of each department, agency, or instrumentality of the Federal Government is authorized—

(1) to cooperate with the Secretary with respect to carrying out any of the provisions of this Act; and

(2) to make available to the Secretary from time to time, on a reimbursable or nonreimbursable basis, such personnel as may be necessary to assist the Secretary in carrying out any of the provisions of this Act.

SEC. 10. Within one year after the date of the official close of the Exposition, the Secretary shall transmit to the Congress a report on the activities of the Federal Government pursuant to this Act, including a detailed statement of expenditures. Upon transmission of such report to the Congress, all appointments made under this Act shall terminate, except those which may be extended by the Secretary for such additional period of time as he deems necessary to carry out the purposes of this Act.

SEC. 11. After the close of the Exposition, all Federal property shall be disposed of in the discretion of the Secretary of Commerce, upon such terms and conditions as he shall deem appropriate, without regard to the provisions of the Federal Property and Administrative Services Act of 1949 and other applicable Federal laws relating to the disposition of excess and surplus property.

SEC. 12. The functions authorized by this Act may be performed without regard to the requirements, prohibitions, and limitations of the following laws:

(1) That part of section 3109(b) of title 5, United States Code, which reads "(not in excess of one year)."

(2) Section 16(a) of the Administrative Expenses Act of 1946 (31 U.S.C. 638a) to the extent that it pertains to hiring automobiles.

(3) Section 201(a) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 481(a)).

(4) Office of Federal Procurement Policy Act, as amended (41 U.S.C. 401, et seq.).

(5) Title III of the Federal Property and Administrative Services Act of 1949, as amended (41 U.S.C. 251, et seq.).

(6) Revised Statute 3709, as amended (41 U.S.C. 5).

(7) Section 305(c) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 255(c)) (security for advance payments), and section 3648 of the Revised Statutes of the United States (31 U.S.C. 529) (advance of public moneys), if the Secretary determines that it is impracticable to obtain ade-

quate security and that there is a compelling need to make an advance payment.

(8) Section 322 of the Act of June 20, 1932 (40 U.S.C. 278a) (lease of buildings to the Federal Government), if the Secretary determines that waiver of that section would be in the best interests of the Federal Government.

(9) Section 2 of the Act of March 3, 1933 (41 U.S.C. 10a) (Buy American Act).

(10) Section 501 of title 44, United States Code (printing by the Government Printing Office).

(11) Section 3702 of title 44, United States Code (advertisements without authority).

(12) Section 3703 of title 44, United States Code (rates of payment for advertisements).

SEC. 13. In addition to the authority for waiver of Federal law provided for in section 12 of this Act, the Secretary, whenever he determines it to be in the furtherance of this Act, may authorize performance of the functions hereunder without regard to such provisions of law or limitations of authority regulating or relating to the making, performance, amendment, or modification of contracts, the acquisition and disposition of property, the printing of Government documents, and the expenditure of Government funds, as he may specify. The authority granted by this section may not be delegated.

SEC. 14. The Secretary may issue such rules and regulations as he deems necessary to carry out the functions and duties imposed by this Act and, except where otherwise designated or limited in this Act, may delegate the performance of such functions and duties and the authority to issue such rules and regulations to such officers and employees of the Department as he may designate.

SEC. 15. To carry out United States participation in the Exposition, there are authorized to be appropriated $10,000,000 to remain available until September 30, 1985.

Mr. BINGHAM. I am delighted to have Mrs. Boggs and Mr. Livingston with us, and perhaps other members of the Louisiana delegation will join us as we proceed. We will also be hearing from a representative of the administration and from exposition officials.

At this time, would you proceed, Mrs. Boggs.

STATEMENT OF HON. LINDY BOGGS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

Mrs. BOGGS. Thank you so much, Mr. Chairman, and I thank all of the members of the committee for being here and hearing our testimony today.

It is a real pleasure to be here on behalf of my colleagues from the Louisiana delegation to express our complete support of H.R. 6409, which, of course, is legislation to provide for the participation of the United States in the 1984 Louisiana World Exposition.

The exposition will be held in New Orleans, La.—I am happy to say that the central activities will be in the Second Congressional District, which I have the honor of representing—from May 12 through November 11, 1984. It is the first world's fair to be held in Louisiana since the Cotton Centennial Exposition of 1884.

EXPOSITION'S THEME

The theme of the exposition is "The World of Rivers—Fresh Water as a Source of Life." We feel this is not only an exciting theme, but it is also one of timely importance. As President Reagan noted in his March 4 proclamation formally inviting the nations of the world to participate in the exposition:

> As the world economy grows, the wise use of all resources, including fresh water, becomes increasingly important. * * * Man's technological and economic response to the challenge of new demands on our water needs to be shared and demonstrated.

Mr. Chairman, this particular theme is very appropriate to efforts to focus world attention on the potential for the world water crisis that has been projected by some authorities. With a little imagination one can visualize a water crisis that would make the energy crisis of the seventies and eighties pale in comparison. It is one of the critical challenges of the future.

SCOPE OF LEGISLATION

Over $54 million in credit commitments has already been raised by the Louisiana World Exposition, Inc., for advanced funding. This money was provided partially by the State of Louisiana, but primarily by private businesses and industries in Louisiana that support the concept of the exposition. The legislation before you today authorizes an appropriation of $10 million to carry out U.S. participation in the exposition.

H.R. 6409 is not a new type bill. It is modeled after legislation authorizing Federal participation in this year's energy expo in Knoxville as well as Public Law 91-269, which established the procedures for Federal recognition and participation in international expositions held in the United States. Specifically, it provides for the design, development, and operations of a U.S. exhibit, the overall Federal responsibilities for oversight of the exposition by the

Commissioner General of the United States, and for his or her appointment by the President.

The Louisiana World Exhibition, Inc., will be providing the building that will house the U.S. pavilion, and, as a result, the cost to the Federal Government has been held down to $10 million. This is the amount necessary to cover administrative costs and expenses associated with the U.S. exhibit. However, an excellent opportunity exists that I would like to share with the subcommittee. It is not a part of the bill, but it is so interesting that we really should consider it, while you are thinking about the bill.

LOAN GUARANTEE FOR PERMANENT FACILITY

The current plans call for a temporary facility for the U.S. pavilion. Once the fair is over, the building would be dismantled. If the Louisiana World Exposition could secure another $5 million, then a permanent facility could be built rather than a temporary one. Not only would the building look better, but its design and location would make an outstanding place for a museum consortium in New Orleans to locate.

There is a local organization that is very interested in establishing and operating a museum devoted to science and technology, but it does not have the funds to provide for a permanent building. They do, however, have the ability to maintain one that is built.

As a result of revitalization, renovation, and new construction, our New Orleans' riverfront will be used as it has never been used before. The area, called the Warehouse District, is now a historic district, is being examined by the city and the National Trust for Historic Preservation to identify buildings that are very worth saving. New, adaptive uses for these buildings are being developed. This will complement the new building that will occur on the riverfront. I feel that if we have a permanent space, the U.S. pavilion could be used in the future to house a museum of science and technology that would reflect Louisiana's place in the space effort and focus upon in the high technology and scientific advances that have been made in the energy field and in water resources development.

It is an exciting prospect, and I urge that the subcommittee explore this idea of providing an additional $5 million in loan guarantees to the exposition, so that the U.S. pavilion can be constructed as a permanent facility. The loan could be repaid with excess revenues from the fair, or with proceeds from the sale of a commemorative coin, which is under consideration. In this way, the taxpayers would not be asked to contribute any more money than we originally proposed.

NATIONAL BENEFITS

This world event means much for the State of Louisiana and the New Orleans area. The economic development associated with the fair will boost our economy and will leave behind a rich legacy in the form of an improved and revitalized area on the waterfront adjacent to the Mississippi River. But its benefits will extend far beyond the confines of the State.

The impact of past world fairs in the United States has been regional rather than simply local. Overwhelmingly, visitors to these expositions tend to come in family groups, and they generally travel by car. Although the 1984 expo will be their primary destination, they will expect to visit other attractions and make many stopovers on their way to and back from New Orleans.

States and communities throughout the Southeast, Southwest, and Midwest will benefit from the anticipated 11 million visitors from across the country and around the world.

Mr. Chairman, I have statements from several of my colleagues who were unable to appear today. I would like to submit them for the record.

Mr. **BINGHAM**. Without objection.[1]

Mrs. **BOGGS**. Shortly, your will hear from representatives of the Governor of Louisiana and the mayor of New Orleans as well as the general manager of the fair. They will be able to answer your technical questions and provide you with more detailed information on the current state of planning for the fair.

On behalf of the Louisiana delegation, I would urge the subcommittee to give positive consideration to this legislation and to the recommendations I have made today.

Thank you.

Mr. **BINGHAM**. Thank you very much, Mrs. Boggs.

We will proceed to hear our colleague, Mr. Livingston, and also from Mr. Pratt, who is speaking for the administration; then we will have questions.

STATEMENT OF HON. BOB LIVINGSTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

Mr. **LIVINGSTON**. Thank you very much, Mr. Chairman.

My district adjoins that of my colleague, Mrs. Boggs, and I represent half the city of New Orleans and the greater metropolitan area.

While the world exposition is not in my district per se, but in Mrs. Boggs', I sincerely share in her enthusiasm for this project, and I would like to associate myself with all of her remarks. I also want to express my appreciation to you for scheduling these hearings, and to all of the members of the committee. I will try to be as brief as possible in my own comments.

I would simply point out that President Reagan said in his proclamation of March 4, 1982, "With its many splendid opportunities for cultural and technological exchange, the Louisiana world exposition has the full and enthusiastic support of the U.S. Government."

LOW LEVEL OF FEDERAL FUNDING

The Louisiana State government and the city of New Orleans are fully behind this project, and I believe that the exposition merits the full and enthusiastic support of Congress, as well. The bill before you makes a vital contribution to international cooperation, and it does so in a sound manner.

I would like to emphasize that in funding this expo, we are highlighting the role of the private sector, as well as that of State and local government. Together, they have raised about $55 million to date. In contrast, our bill to provide for U.S. participation at the exposition calls for a Federal authorization of only $10 million.

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[1] See appendixes.

Should the committee agree with us that it would be desirable, as Mrs. Boggs pointed out, to provide an off-budget loan guarantee of an additional $5 million to make the U.S. pavilion a permanent structure, the minimum non-federal to Federal ratio would still be well over 3 to 1.

I would also like to emphasize a point that the gentlewoman from Louisiana made earlier: All of these figures compare favorably with the $24 million Federal contribution to the current Knoxville Fair, which, as you know, has been a big success thus far. I am proud that we have made a much lower request for what will be, I am sure, an equally successful event.

WORLD EXPOSITION IMPROVES U.S. WORLD IMAGE

Those are some of the tangibles. However, I would like to address an important intangible provided by this bill, and probably of major significance to this committee.

As the members of the committee know, and as I have come to know better since I became a member of the Subcommittee on Foreign Operations, there is a growing need in this country for greater awareness and discussion of what we generally refer to as "foreign relations." We see this in the context of world trade and international finance, where potential American exporters and traders remain inactive on the sidelines, sometimes because we have not done our part to educate, to promote, or to bring these American businessmen together with their potential foreign buyers.

Too often we in this country suffer from a tendency toward isolationism, which could very well be called the Fortress American Syndrome, and which exists, in large part, because we have not done enough to encourage a worldly perspective, thereby creating opportunities for our people to do business with people of other nations.

I'd say simply that the 1984 Louisiana World Exposition is not a panacea for such shortcomings, of course, but it is a step in the right direction. It will indeed provide a forum for people throughout the world to come together in peace and harmony.

Consequently, I hope this committee will see fit to provide for the fullest possible participation in the Louisiana World Exposition of 1984 by the U.S. Government.

Thank you very much, Mr. Chairman.

Mr. **Bingham**. Thank you, Mr. Livingston.

Now, we will hear from Dr. George L. Pratt, Director of International Expositions, Department of Commerce.

STATEMENT OF GEORGE L. PRATT, DIRECTOR OF INTERNATIONAL EXPOSITIONS, DEPARTMENT OF COMMERCE

Mr. **Pratt**. Mr. Chairman, members of the subcommittee, I am Director of International Expositions at the Department of Commerce, and one of this Nation's three official delegates to the Bureau of International Expositions, referred to hereinafter as the BIE, in Paris.

The BIE is a treaty organization founded in 1928 to establish an orderly process for the consideration of exposition applications, to set standards and criteria on proper exposition management, and to regulate the timing and frequency of these events.

EXPOSITION'S PROGRESS

I, too, have just returned from Paris and attendance at the spring meetings of the BIE, which is still in progress. Among the items on the agenda was a review of the progress that has been made on the 1984 Louisiana World Exposition. I can assure you that many of the nations of the world look forward with great anticipation to coming to New Orleans. Those in Paris were favorably impressed by the progress report that was filed by the BIE team that visited New Orleans in May to review the status of the exposition.

The New Orleans application for a 1984 exposition was processed in accordance with the provisions of Public Law 91-269 governing Federal recognition of and participation in international expositions in the United States. The purpose of Public Law 91-269 is to accord Federal recognition and to provide for Federal participation in adequately financed, locally supported projects in the United States. That is different from other nations.

Public Law 91-269 was enacted by Congress before it recognized that international expositions, when properly organized, financed, and executed, have a significant impact on the economic growth of the region surrounding the exposition and, under appropriate international sanction, are important instruments of national policy; particularly in the exchange of ideas, the demonstration of cultural achievements between peoples, and the development of international trade.

On February 23, 1981, the organizers of the Louisiana World Exposition, Inc. [LWE] a private, nonprofit organization composed of 185 business, industrial, and civic leaders, applied to the Department of Commerce for Federal recognition to hold an international special category exposition in 1984.

The proposed theme was "The World of Rivers—Fresh Water as the Source of Life." This application was thoroughly reviewed under the mandates of Public Law 91-269, including on-site meetings with the organizers and civic leaders in order to evaluate all facets of the project.

LOCAL AND FEDERAL SUPPORT

Based on the evaluation, a detailed report was prepared by the Secretary of Commerce and forwarded to the President on April 9, 1981, recommending Federal recognition of the Louisiana World Exposition 1984. The report stated that the sponsor had fulfilled, to the extent possible at the time, all applicable requirements.

The Secretary concluded that the theme of fresh water was timely and the exposition site was appropriate to the region where the Nation's greatest river, the Mississippi, flows into the Gulf of Mexico and where much of the Nation's history and economy is tied to that great river.

It has also been determined that the organizers have obtained sufficient financial support and State and local backing to assure the development and progress of the exposition.

The Secretary of State, as required by Public Law 91-269, also agreed that the exposition qualified for international recognition and recommended that the exposition be registered by the BIE as a special category event.

Based on these favorable recommendations, on April 17, 1981, the President informed the Secretaries of State and Commerce of his recognition of the Louisiana World Exposition as being in the national interest.

Since that time, Expo 1984 has received additional support from State, county, city, and private sources, including most of Louisiana's elected Federal and State officials.

Firm commitments from the State government have been made, and construction started toward completing the 765,000 square foot, $100 million convention center that will be an integral part of the exposition and will house the Louisiana State exhibit. The State has also guaranteed part of that financing.

On March 4, 1982, the President issued a proclamation and instructed the Secretary of State to invite the nations of the world to participate in this exposition. Invitations were dispatched shortly thereafter.

In addition to President Reagan's commitment, there are other important reasons for the United States to participate in this worthwhile event. You will be hearing from other witnesses concerning the beneficial consequences of this exposition for New Orleans and the entire State of Louisiana, including the development of the downtown riverfront area.

RELEVANCE OF EXPO THEME

From the Federal Government's perspective, we see the 1984 Louisiana World Exposition as a unique opportunity to describe to the American people what is being done to preserve and protect this Nation's most vital natural resource—fresh water.

This exposition will also provide an international forum for the exchange of ideas and the viewing of new technologies that have been developed or are being developed in the field of water conservation. In this regard, you should be aware that this exposition coincides with the United Nations' celebrating the 1980's as the international drinking water supply and sanitation decade. The world's leading health problem, I think, is that just mentioned.

LOCAL ECONOMY SPURRED

In addition to an important information exchange, the 1984 Louisiana World Exposition will promote international trade and tourism, spur economic development and create needed jobs in the New Orleans area.

Independent surveys conducted by a recognized private firm indicate that 9,000 or more jobs will be created in this area during the construction and operation period. Economic projections, both direct and indirect, predict the exposition will create $625 million in payrolls, $179 million for the purchase of materials and supplies, retail spending of $978 million, and additional tourist-related spending of $227 million. It is also projected to generate $53 million in State and local taxes, and $93 million in Federal revenues from payroll and excise taxes.

Mr. Chairman, expositions, by nature, are tourist attractions. Domestic visitors are expected to postpone foreign travel, thus providing a positive benefit from the dollars remaining in the United States.

There will also be an increase in foreign travel to this exposition which will provide a continuing tourism benefit to this area after the closing of the exposition.

It was estimated that over 55,000 foreign visitors attended Expo 1974 held in Spokane, Washington. Heavy marketing emphasis will be placed in various South American countries to increase tourism. Moreover, the summer Olympics will further induce international tourists to select the United States as a travel destination.

Our U.S. Travel Service has already taken that bit of serendipity into consideration.

International trade will also be emphasized by corporate participation displaying technology, techniques, equipment, and services. In addition, each of the anticipated 20–25 participating nations will be renting space, employing local labor, contracting for construction, and providing housing and expenses for their staffs that is estimated to bring $15 million to the United States from abroad.

Mr. Chairman, when I say 20 to 25 anticipated, I use that as a number, because we presently have 23, counting the United States in Knoxville, and we think that is not an unreasonable number. There are 148 nations and the EEC with which the United States has diplomatic relations that were invited, and we plan to engage in a strong marketing campaign to affect that participation.

FEDERAL PARTICIPATION

The legislation before you would authorize Federal participation in the 1984 Louisiana World Exposition. The provisions of Public Law 91–269 require such legislation. The bill would also authorize an appropriation of $10 million for the costs of the design and fabrication of exhibitry, salaries, and expenses.

This amount is considerably less than what was required for the U.S. pavilion at this year's Knoxville International Energy Exposition, because the New Orleans organizers are providing an 87,000-square-foot building at no charge to the Federal Government. Not only does this save the American taxpayer considerable expense, but it also relieves the Department of Commerce and the General Services Administration of the thorny problem of residual use of the building.

In addition to Federal participation, the bill authorizes the appointment by the President of a Commissioner General for the exposition in compliance with the Paris Convention of 1928 that set up the BIE. It is critical to the organizers' planning to have a commissioner general appointed as soon as possible, particularly to help in the area of foreign participation.

Mr. Chairman, I have not addressed specific legislative concerns in my testimony, but I would be happy to do so if the committee wishes.

U.S. PAVILION

Before concluding my statement, however, I must address a concern that we all share—that the U.S. pavilion be a presentation of which the American people can be justifiably proud. For that to happen, early passage of authorizing legislation is crucial. We are facing the shortest deadline we have ever faced for an exposition of this type. May 1984 is now less than 2 years away. I would add to that, Mr. Chairman, that less than 2 years away, this exposition is in better management condition than Knoxville was at the same point—and it is proving a huge success—with one exception: We don't have legislation. That is the one crucial thing that we need.

And that concludes my statement. I would be happy to answer the committee's questions.

Mr. BINGHAM. Thank you very much, Mr. Pratt.

In response to your emphasis on the need for speed, we on this subcommittee are quite aware of that, and our staff has been making every effort, at my request, to expedite the markup of this legislation.

I had hoped that it might be possible to mark it up today, but there are questions that are still unresolved at this point which we will have to explore as expeditiously as possible.

There are questions on the need for a budget waiver, on waivers of certain statutes mandated by the Government Operations Committee, and on the ambassadorial services for the fair.

We received the administration's version of this legislation only last Friday, and the administration proposal does leave these questions unresolved.

I have one or two questions.

OTHER EXPOSITIONS

We have this year the Knoxville Fair, as you pointed out. Was the Spokane Fair the last one to precede that?

Mr. PRATT. Yes, sir.

Mr. BINGHAM. What exposition was before that?

Mr. PRATT. Before that was hemis fair—a special category fair in 1968, but that was not held, Mr. Chairman, under the aegis of Public Law 91-269, which was passed in 1970.

We became a BIE treaty signatory State in 1968, so Spokane and Knoxville, in progress, are the only two that have been held under that legislation.

TWO YEARS BETWEEN FAIRS

Mr. BINGHAM. Do you see any problem with this proposed fair following the Knoxville Fair by a period of only 2 years, which is a relatively short interval as these things go?

Perhaps you would like to address that, Mrs. Boggs.

Mrs. BOGGS. I do not think that that is going to be a problem, Mr. Chairman, because, to begin with, our area of the country is already a great tourist attraction. With the remarkable planning that has gone into this effort and the tremendous participation by the local industrial corporate, and civic business world, I think that we are going to have a fair of worldwide interest and extensive participation. We already have in place, of course, the cultural aspects of an area that seem to be appealing to people from all over the world. With the kind of promotion and management that we have from Mr. Spurney and others, the involvement of the mayor and his staff, the Governor and his staff, and participation by the Louisiana Fair Commission—a group of people who organize fairs and festivals throughout the State—I think we have an excellent base to build upon for a successful fair.

I think we are going to have such an attractive package to offer, that it will be enormously interesting and very popular.

I think, too, we have a wonderful opportunity as a Nation to develop the theme as to the wise use of water and to project the United as the leader in not only the technological developments, but also in being a Nation concerned about the future use of water. Many countries already overextended in the use of scarce water resources and many of these are developing nations.

I do think that it is such an important exposition that it will be very successful, and I think the timeframe is really not going to be a bar to the success.

As Dr. Pratt has pointed out, the management of this fair is farther along now than the fair at Knoxville was at a similar point in its development, and Knoxville, of course, is very successful.

We had testimony before another committee on which I serve from the mayor of Knoxville a couple of weeks ago, and the fair is surpassing all of their hopes and dreams.

I think that the excitement of the Knoxville Fair will simply spill over into the future, creating more interest in the 1984 exposition.

Mr. BINGHAM. Was the timing planned, taking into account the timing of the Knoxville fair?

Mr. PRATT. Could I respond to the first question? It will help answer the second question, too.

The answer to the second question is not exactly, I think. That was before I was actively involved in international expositions.

It had more to do with the Bureau of International Expositions, and the availability of dates; they regulate worldwide.

Having a 2-year interval is less than ideal, taken in the abstract, but taken in the total context of the world situation and the advances that the people in Louisiana have made on this it is not. The answer to the second question is, it sort of worked out that way.

As far as the second question, though, sir, the fact that the themes are so very, very different will be an attraction in Louisiana that Knoxville does not enjoy. That is, energy tends to be that of a high technology kind of thing. Certainly, in the undeveloped and the lesser-developed nations, this is a theme and an opportunity for an interchange of both culture and the advance of technology in terms of the foreign relations of the United States that we think is without precedent.

Mr. BINGHAM. Did you want to comment on the questions?

Mr. LIVINGSTON. I will adopt what they said, Mr. Chairman.

Mr. BINGHAM. Mr. Lagomarsino.

COS OF PAVILION

Mr. LAGOMARSINO. What are the total costs associated with the U.S. pavilion?

Mr. PRATT. $10 million.

Mr. LAGOMARSINO. That is what we are asked to contribute, but are those the total costs?

Mr. PRATT. Oh, no, I don't know that.

Mrs. BOGGS. $5 million more, Mr. Spurney says.

Mr. LAGOMARSINO. OK. The fair organization is responsible for construction of the U.S. pavilion, is that correct?

Mr. PRATT. That is correct.

Mr. LAGOMARSINO. It is not a building that is already in existence, but one that will be constructed, so really the difference between what we are talking about now and what you suggested, Mrs. Boggs, is the type of building?

Mrs. BOGGS. Right; a permanent type of construction.

Mr. LAGOMARSINO. How much, if you know, and perhaps we should ask later witnesses, but how much is the temporary building going to cost?

Mrs. BOGGS. $5.5 million. For $5 million more——

Mr. LAGOMARSINO. I see; the total cost of a permanent one would be $10 million?

Mrs. BOGGS. Yes. Already you have the commitment for the $5.5 million.

CATEGORIES OF FAIRS

Mr. LAGOMARSINO. Can you tell me, Doctor, how the Louisiana World's Fair would differ from other world fairs? Is this the same as the Montreal World's Fair?

Mr. PRATT. This is called a category II fair. Montreal was a category I fair. They are also referred to as universal in Montreal, or special category as in New Orleans or Knoxville.

The two major differences, sir, are that a special category fair has a relatively narrow theme. For instance, "Rivers and Freshwater" is a relatively narrow theme. There will be a special category Japanese fair in 1985 that has now been sanctioned where they wanted to use the theme "Science and Technology," but that was too broad, so it got honed down to "Science and Technology for Man at Home," the theme "Energy" was used in Knoxville. The universal class fair that is being proposed and is at the date reservation stage for the United States for 1992 in Chicago—a city that previously had two great fairs in 1893 and 1933—is "Discovery." That is a very broad theme. So a broad theme as opposed to a narrow theme is one difference in categories.

The second thing is that each nation builds its own pavilion at a universal class fair where at a special class category, the organizer builds corporate space in internationals. This is the first time that a special category fair has had the U.S. pavilion provided to it by the organizers.

Mr. LAGOMARSINO. Repeat that again.

Mr. **Pratt**. This is the first time that a special category in the United States has had the host nation pavilion building provided at no cost. Knoxville has a permanent building with a residual use for which the Congress appropriated something like $12 million for construction and an additional eight-and-some-change for operation, salaries, expenses, and exhibitry. That $8 is $10 million based on New Orleans, just based on rising costs since then.

In Spokane there is a temporary building which is still there that was deeded over by the GSA to Spokane. In both cases there was a residual use question involved, but the agreement that was reached on the $10 million deal with the Louisiana organizers providing the facility at no cost to the Government.

Now, the other biggest difference is just the size. The last universal class fair was in Osaka in 1970, Montreal in 1967, and Belgium in 1968, and those are the only three since the war. The major difference is just sheer size. It is the difference between 70 or 80 acres and 500 hundred acres; it is the difference between 11, 12, 15 million, and 50 or 60 million people.

PROPOSED LOAN GUARANTEE

Mr. **Lagomarsino**. Let me ask you this question, Dr. Pratt.

What is your view of Congresswoman Boggs' suggestion on the loan guarantee?

Mr. **Pratt**. I was a party to the telephone conversation between Secretary Baldrige and OMB Director Stockman concerning the $10 million agreement. Moreover, the $10 million agreement was incorporated in the language of the President's letter asking for BIE recognition. What I heard Congresswoman Boggs talking about was nothing about appropriations, but creative financing for lack of a better term, and I don't guess I have a view on that.

Mr. **Lagomarsino**. I would think it would be very important to get that view, because while it sounds very good, we don't want to do anything to jeopardize early movement of the bill.

Mrs. **Boggs**. Yes, of course. I would like to add something about the international aspects of the fair, Mr. Chairman.

The fair is going to be located downtown right on the riverfront. It is in an area of the city where we already have the Spanish Plaza, the Jean D'Acre Square, the Churchill Round, and the Italian Piazza. It is located in an international setting and I think will have an added interest because of its location to the peoples of the world.

Mr. **Bingham**. Mr. Shamansky.

STRINGENCY OF NATIONAL BUDGET

Mr. **Shamansky**. Thank you, Mr. Chairman.

As Congresswoman Boggs was describing the theme of the fair, I was thinking that Alum Creek runs a little bit more than a block from my house and it goes eventually into the Ohio River, and I am sure before it ends up, it goes all the way down to New Orleans. What I am concerned about, is that we are discussing the financing of constructing a building, and everything in it. I remember hearing Congressman Roemer—I think it was on public television, the McNeil-Lehrer report—stressing in his support for the Latta budget the need to be very economical these days.

The Latta budget is such that it makes tremendous cuts in funds very important to the people of central Ohio, especially with regard to help for education for handicapped children, and food nutrition programs for women, infants, and children, services for sick, elderly, and many other things. I find myself torn listening to that voice stressing the necessity of watching every penny and the Latta budget which provided for an additional $8 billion of cuts in social services below that previously advanced by Mr. Latta in the previous 2 weeks when we had that initial voting.

I would like to be convinced by the administration as to what is the difference between watching our pennies at the expense of people that live in my district and entertaining people in Louisiana which, I believe, levies significant extraction taxes on the fuel that we then import to or that we burn in Ohio. I don't know what the State of Louisiana gets from extraction taxes.

I am willing to bet they are significant sums of money, and I am very happy for them. I am concerned, though, about what happens to the national interest when it comes to people surviving the economic conditions we have today. I find myself by nature someone who would like to be fair. I was president of the Columbus Association for the Performing Arts, and there is a certain aspect of that here which I want to encourage.

I have great difficulty making the distinctions, Mr. Pratt, that you have no trouble making. This is good and that is bad, as it applies to, say, central Ohio.

Yet when it applies in another setting, you have no trouble with it. What is the organizing principle? Why is it bad for Ohio and great for Louisiana?

Mrs. BOGGS. I share your concern about the people of Ohio, and about the cuts, as you well know. Last week we addressed ourselves to some economic stimulus and to some other provisions for the help of peoples and businesses when we passed the urgent appropriations supplemental bill that also contained the stimulus for the housing and building industries.

I feel that a fair that is of such importance in its theme and in its generation of business and tourism, will benefit the economy of our region certainly, but I think it will benefit the economy of all of our country, particularly those in the great Central heartland of America.

As you know, we have tremendous commerce between our States through the river systems. The agricultural and industrial products which move along the Mississippi River are vital not only to Ohio and Louisiana, but to all of the areas along the river route. They become one of the few real pluses in our balance of payments posture. I think that we have a very, very close relationship with the people of Ohio, with all the people whom the river touches. Surely, the generation of any kind of business, commercial activity, and employment for the people is going to be helpful to all of us.

As I said earlier in my original testimony, I would hope that the people coming to the fair are going home from the fair and would stop along our whole wonderful midsection, and that certainly includes Ohio.

Mr. SHAMANSKY. I was telling myself as you were responding, if I ever want to be appointed for something, I am going to ask you to be the spokesman.

I assume you voted on behalf of the Latta budget?

Mr. LIVINGSTON. Surely I did, Mr. Shamansky.

Mr. SHAMANSKY. I would like for you to point out to me your rationale; I am curious for the very sharp-pointed-pencil types and no-nonsense types which I am sure many that I know, as a fact, those from your region, pride themselves on being, but I find it a very selective sort of thing.

Mr. LIVINGSTON. You ask a very pertinent question, and I don't want to throw cold water on Mrs. Boggs' answer, because I agree with what she said. Certainly all of us have to sympathize with the plight of those who are the unemployed and the downtrodden of this country, but I think you have to consider that this is an investment.

We are asking for $10 million. By Mr. Pratt's response, we are expecting to reap a return on investment of roughly $650 million. That is a return of 65 to 1. Those dollars are going to be invested into the economy and multiplied by private dollars which are going to be added to that investment, and also State and local moneys which are going into the entire exhibition as well.

They are going to provide jobs throughout the Southeastern United States, and the taxes that are going to be reaped from those jobs are very well and very likely going to go to pay for many of the same programs over which you are concerned.

So I would hope that you would consider, even though this is not in Ohio, and does not perhaps directly benefit your citizens, those who that will come down and participate in the form of entertainment, as you described it, or those who will come down and participate in terms of jobs and gainful employment. They will be welcome, and they will indeed benefit. And that includes Ohio citizens as well as every citizen of the entire United States.

FUNDING FOR EXPOSITION

Mr. SHAMANSKY. My general approach would be to be in full agreement with you until I heard the terribly cogent arguments of you and your colleagues as to why we had the Latta budget and its almost Draconian cuts.

It is also not clear to me that this $10 million could be appropriated under the Latta budget. Would you like to address that?

Mr. LIVINGSTON. I am not sure I follow that question.

Mr. SHAMANSKY. Well, how or where does this fit under the moneys provided for in the Latta budget?

Mr. LIVINGSTON. We are talking about $10 million, and you are talking about a Latta budget that, in itself, calls for a deficit of $100 billion.

Mr. SHAMANSKY. It would sort of fit in a little pocket and nobody would notice it.

Mr. LIVINGSTON. It is a very small investment, but if you consider the fact that that $10 million is bringing back taxes far in excess of the $10 million, it is an investment that will actually reap a reward far beyond expectations.

Mr. Shamansky. Given the newspaper reports of the administration's new philosophy toward urban assistance, which seems to be "Let the cities do it on their own," given the $650 million that you see exclusive of the $10 million, given the resources of the State of Louisiana, its extraction taxes, you would not suggest that if the $10 million is not appropriated, that this exposition would still go ahead, would it not?

Mr. Livingston. Yes, Mr. Shamansky, it would, but I think I have to concern myself with your overall premise.

In fact, if you just describe the world fair and talk about the Latta budget, we are still $100 billion short. If we funded the programs that you are talking about to your heart's content, we have the same questions. Where does the money come from? If, on the other hand, we are investing in the future of this Nation, trying to regenerate growth and productivity and to recreate jobs, this project is a pretty exemplary approach. But to give money away without any hope of return is sheer folly.

Mr. Shamansky. I have a list of projects in central Ohio that would show great returns, that would be pretty good projects.

Mr. Livingston. Mrs. Boggs might wish to respond further.

Mrs. Boggs. I would like to say that local people, and the State, have already raised $54 million. This is the $10 million for the U.S. participation.

The investment of the $10 million for the U.S. participation would be expected to generate $93 million in Federal revenues from payroll and excise taxes that would go into the general fund that would be spread throughout the United States.

Mr. Shamansky. Mrs. Boggs, I hope you understand that Ohio State University is facing the elimination of guaranteed student loans for graduate students.

It is a very large university with important graduate schools, and assisting their graduate students, if you were to project the amount of tax revenue produced by those potential utilizers of $10 million worth of loan guaranteed funds, is a very good investment. Yet this administration is going to wipe that out.

I loathe it when people play devil's advocate to me. I am torn between being a devil's advocate and saying something; gee, I really am going to vote for this, and I am very serious about the selectivity of the administration, where it chooses to put money and where it chooses not to.

We are the exponents of some of the self-help school, and some of the most articulate in the country are among the delegation sponsoring this legislation.

It is a very selective thing. I cannot find why it is applicable to one place and not to another, except for the special pleading, that it is my turf.

I react negatively when it is raised to a great principle, when it is to justify cuts that will benefit the people in my district and somehow or other it is exempt from those standards when it is applied to somebody else.

A lot of people are being hurt and a lot of people will benefit from this $10 million, and it will have a great multiplier effect. I can make that argument anyplace in the country.

Mrs. **Boggs**. I can assure you that the Louisiana delegation would be as enthusiastic if an international exhibition was being held in Ohio as we are for one in Louisiana.

Mr. **Shamansky**. What if we had something other than an international exposition? Some other activity is what I am suggesting. Obviously, there are only going to be a limited number of these, and I am sure every locality should now start competing for international expositions.

I am not, believe it or not, going to belabor the point any more than I have, but the description, the valuation of where the national interests come in, whether the administration supports it or it does not is obscure; I am not unsympathetic to this project, but I am unsympathetic to the specious distinctions being made by those who, under any circumstances, would be opposed to the important expenditures that would affect my area.

Somehow those are bad, and this is good.

Mr. **Bingham**. I have no further questions for Mrs. Boggs and Mr. Livingston. If you have other engagements, you may be excused.

Mrs. **Boggs**. Thank you very much, Mr. Chairman.

Mr. **Livingston**. Thank you, Mr. Chairman.

WAIVER OF FEDERAL PROCUREMENT REGULATIONS

Mr. **Bingham**. Dr. Pratt, I notice that the administration's draft legislation does not request the waivers which were included in Mrs. Boggs' bill, specifically the waiver of the Office of Federal Procurement and Policy Act, and title III of the Federal Property and Administrative Services Act of 1949.

I frankly don't know what those provisions are, but can you explain to me whether this is going to create a problem if the administration doesn't ask for the same waivers that Mrs. Boggs' bill does?

Mr. **Pratt**. Anticipating that that would be a question on H.R. 6409, I have a rack-up in my hand that I will present to you for the record, and under section 12, paragraphs 1, 4, 5, and 6, as well as all of section 13 of the administration bill, deletes—this is a memorandum from our Inspector General, Sherman Funk.

It is a question of waiving the Federal procurement regulations for LWE purchases made with Commerce funds.

I am aware of the constraints posed by the very tight LWE schedule. I am sure that is what Mrs. Boggs' bill is attempting to cope with.

I am aware, too, of the need for some flexibility in procurement procedures to allow for the special or unique requirements which may be generated by a world exposition. Nevertheless, I feel it would be ill-advised for the department to support a total waiver of FPR.

Because we are speaking here of Federal money, there must be procedural safeguards in place to insure that our funds are spent properly and quickly.

The simplest way of providing such assurance is to provide compliance with the FPR.

Recognizing other factors noted above, it would be appropriate to incorporate a procedure carefully circumscribed wherein under special and very limited circumstances, and within the spirit and the intent of Federal procurement policy, waiver of FPR requirements would be permissible.

One way of accomplishing this would be to state that only the Secretary of Commerce could authorize such a waiver. I would not be opposed to further requiring that this must be accompanied by an OIG review, either before or after the fact, although I don't believe this must be mandated inasmuch as we eventually audit, in any case.

[The memorandum referred to follows:]

UNITED STATES DEPARTMENT OF COMMERCE
The Inspector General
Washington DC [illegible]

#1
Lay
IN

June 18, 1982

MEMORANDUM FOR: William H. Morris
Assistant Secretary
for Trade Development

FROM: Sherman M. Funk
Inspector General

SUBJECT: Louisiana World Exposition (LWE)

I understand that the question of waiving the Federal Procurement Regulations (FPR) for LWE purchases made with Commerce funds may come up at a hearing on the Hill on Monday, June 21.

I am aware of the constraints posed by the very tight LWE schedule. I am aware too of the need for some flexibility in procurement procedures, to allow for the special or unique requirements which may be generated by a world exposition. Nevertheless, I feel it would be ill-advised for the Department to support a total waiver of the FPR.

Because we are speaking here of Federal money, there must be procedural safeguards in place to assure that our funds are spent properly and economically. The simplest way of providing such an assurance is to require compliance with the FPR. However, recognizing the other factors noted above, it would be appropriate to incorporate a carefully circumscribed procedure whereby, under special and very limited circumstances, and within the spirit and intent of Federal procurement policy, waiver of FPR requirements would be permissible.

One way of accomplishing this is to state that only the Secretary of Commerce could authorize such a waiver. I would not be opposed to further requiring that this must be accompanied by an OIG review -- either before or after the fact -- although I do not believe this must be mandated inasmuch as we would eventually audit it in any case.

cc: Triplett
Pratt
Knauss

Comparison of Administration Bill and H.R. 6409 on Waivers

H.R. 6409	Administration Bill
Section 13: Contains waiver giving Secretary broad authority to waive any provision of law relating to performing his procurement, acquisition, or spending functions under the law.	Deletes
Section 12:	
(1) Waives 5 U.S.C. 3109(c) which limits consultant contracts to one year duration.	Deletes
(4) Waives Office of Federal Procurement Policy (OFPP) Act, 41 U.S.C. 401 et. seq., which establishes OFPP with power to set general government procurement policies.	Deletes
(5) Waives Title III of the Federal Property and Administrative Services Act of 1949, 41 U.S.C. 251 et. seq. which sets standards for formally advertising and negotiating government contracts.	Deletes
(6) Waives revised statute 3709, 41 U.S.C. 5, which requires formal advertising in cases where Title III is waived, unless 41 U.S.C. 5 is specifically excluded by statute.	Deletes

Mr. **Bingham**. This is a matter that we will ask our staff to pursue with your office.

Mr. **Shamansky**. Is there anyone from the State of Louisiana who could tell us what the unemployment is in the State, and the amount of the extraction taxes?

Mr. **Bingham**. We have several other witnesses from the State of Louisiana—Mr. Spurney, the general manager, and Mr. Mumphrey, and Jay Stone.

AMBASSADORIAL STATUS

One other question for Dr. Pratt: Why is it necessary for the U.S. Commissioner General of the fair to enjoy the rank and privileges of Ambassador?

Mr. **Pratt**. I don't think that the administration bill says that it does, sir.

Mr. **Bingham**. We have understood that this was a request that was made. Perhaps this is another difference between the bill.

Mr. **Pratt**. I think you will find that is another difference.

Mr. **Bingham**. Another difference in the legislation?

Mr. **Pratt**. Yes, sir.

Mr. **Bingham**. One possible alternative in this regard might be for one of the numerous currently unassigned career ambassadors in the State Department to undertake the functions of the Commissioner General.

I have no further questions, then, Dr. Pratt.

Thank you very much.

Mr. **Pratt**. Could I point out one thing to Mr. Shamansky?

Mr. Bingham. I don't think we want to pursue that discussion.

Mr. Pratt. Your point is well taken about the people in Ohio, but the theme is rivers and fresh water, and the National Environmental Laboratory on Water of EPA is in Cincinnati, and I would suspect would get international attention during the time leading up to and through that fair.

Mr. Bingham. Thank you, Dr. Pratt, very much.

We will welcome Mr. Spurney, Mr. Stone, and Mr. Mumphrey.

STATEMENT OF JAY STONE, PRESIDENT, JAY STONE & ASSOCIATES, REPRESENTING HON. DAVID C. TREEN, GOVERNOR, STATE OF LOUISIANA

Mr. Stone. My name is Jay Stone. I am the Washington representative for the State of Louisiana, representing Gov. Dave Treen. The Governor could not be here today. He is in the middle of a legislative session down in Louisiana, so he asked me to present his statement in support of H.R. 6409 to this subcommittee.

Rather than read his statement, I will request that the chairman just insert it for the record, and I will give a brief summary.

GOVERNOR'S SUPPORT OF H.R. 6409

As I said, this legislation does have the complete support of Governor Treen, and he urges you to act as quickly as possible.

Not long after he took office in the spring of 1980, he was faced with a decision of whether or not to recommend that this proposed project be ongoing to the new administration, and also to the new legislature which he then took over.

He, as a fiscal conservative, with a record like he had in the House here, was very concerned about the same questions that have been brought up.

He studied it, thought about it quite a bit, and spent a lot of time with the organizers of the Louisiana World Exposition, and after careful study he came down on the side of yes. He did want to recommend it to Secretary Baldrige and personally talked to Mr. Stockman and Secretary Baldrige and other people, and they all agreed that it was a worthwhile endeavor.

Since he made that commitment, he has personally committed a great deal of his own time and effort to this project. It was his personal interest that sparked the private sector's financial backing for this, and again with his fiscal conservatism, he wanted the private sector to be as deeply involved as possible. He said, you have to come up with $35 million or $40 million worth of pledges to back this, and they did that in about the 2 or 3 weeks that was required.

It was because of his personal interest that it was done.

His legislative initiatives outlined in his statement, including Louisiana funding for the exhibition and convention hall, the Louisiana pavilion, new wharves, new streets, and sidewalks for the city of New Orleans, transportation planning, and many other ideas, demonstrate the depth and scope of his convictions and of the legislature's convictions that this is a worthwhile project, and one that deserves our support.

He is solidly behind the project and urges your prompt approval of it.

[Governor Treen's statement follows:]

PREPARED STATEMENT OF HON. DAVID C. TREEN, GOVERNOR, STATE OF LOUISIANA

Mr. Chairman, I am pleased to request your favorable consideration of H.R. 6409, legislation to authorize the participation of the United States government in the 1984 Louisiana World Exposition, and to provide for the appointment of the Commissioner General of the United States by the President. U.S. participation and the appointment of a Commissioner General would be the culmination of an intensive, four-year planning, development and review process and the commencement of final implementation activities which will result in the opening of the Louisiana World Exposition on May 12, 1984.

The State of Louisiana takes great pride in hosting this Exposition. Obviously, an event such as this requires the cooperation and support from all levels of the public and private sectors—local, state, and national. To have arrived at this point in our development process has, in fact, taken considerable organizational resources, planning skills, financial commitments, and private and governmental support. To name all of the public and private agencies, individuals, and organizations who have been deeply involved in the development of the Exposition would be a lengthy process itself. I would, however, like to acknowledge and express my sincere appreciation to President Reagan and Secretary of Commerce Malcolm Baldrige for their total support and assistance in making the 1984 Louisiana World Exposition a reality.

We are tremendously excited about welcoming visitors from all over the world to Louisiana in 1984. This will be the first time in the history of expositions when a state has acted as the official host. The rich texture of life in Louisiana, a product of many ethnic origins to which our citizenry may be traced, provides an excellent backdrop for the assemblage of participants and visitors from every corner of the globe. With over 10,000 miles of waterways, the theme, "The World of Rivers—Fresh Water as a Source of Life," is particularly significant to the State of Louisiana, reflecting as it does the inexorable relationship between the great Mississippi River and the social, commercial, and artistic life of our State.

I would like to briefly review what the State of Louisiana has already done to insure the success of the World's Fair in 1984.

(1) The Louisiana State Legislature appropriated approximately $30 million for the construction of the Exhibition and Convention Hall on the Fair site. This building, which is already 35 percent complete, will house the Louisiana Pavillion and other state and corporate exhibits. After the Fair, the permanent convention hall will enable the city and state to effectively compete for the largest trade shows and conventions in this country.

(2) The Louisiana State Legislature appropriated $12 million to build new wharves for the Port of New Orleans so that Fair organizers would be able to use the wharf space along the river in the New Orleans Commercial Business District.

(3) The State has established, through legislative act, a $5 million escrow fund which provides a mechanism for the repayment of any potential fair losses from the additional sales tax that the city and state will collect.

(4) The Louisiana Exposition Authority, which is planning the State's exhibit at the Fair, has completed the conceptual design of the Louisiana Pavillion and has selected the design firm to complete the work. It will cost approximately $6 million to construct and administer the Louisiana Pavillion.

(5) I have also appointed Mr. Jimmy Fitzmorris, my Executive Assistant for Economic Development, to chair a State World's Fair Task Force. This Task Force will assist Fair planners by providing a focus and organization point for state agency resources that may be needed to facilitate a successful World's Fair.

(6) I have also supported a legislative proposal to provide a $15 million loan from the State of Louisiana to the city of New Orleans. This $15 million loan will be used to make capital improvements in the City such as new sidewalks, improved streets, parking lots, lighting, pedestrian malls, etc. This loan will be repaid by a special $1.00 tax on all tickets sold to the World's Fair,

(7) The Louisiana Department of Transportation has provided funding to complete a statewide access transportation plan. Based upon this study, which is nearly complete, we are hopeful of securing additional federal funds to improve the signage system on our highways and make other transportation improvements recommended in the study.

(8) Other state initiatives now underway to insure the Fair's success are: An examination of the feasibility of establishing passenger rail service between Baton Rouge and New Orleans, and the Mississippi Gulf Coast and New Orleans; and the development of a program to encourage statewide involvement through incorpora-

tion of local fairs and festivals and regional visitor attractions. Approximately $300,000 has been provided to initiate the statewide program. A statewide essay and art and banner contest, to be administered through the Louisiana Department of Public Education, is in the final planning stages. A proposal to put the official World's Fair logo on all new license plates issued by the State has also been introduced in this session of the Legislature.

In summary, this abbreviated listing is intended to convey that the Office of the Governor, the State Legislature, and the entire State of Louisiana is totally supportive of this project and that we have provided the financial, organizational, and legal commitments to insure its development and success. Now we are asking that the federal government show its continued commitment to this project by approving this important legislation formally authorizing U.S. participation and appropriation of $10 million for that purpose. With that authorization, appropriation, and appointment of a Commissioner General, we can continue the momentum and complete the task of staging the most successful Exposition ever to be held. With your support and assistance, and the continued support and assistance of our Congressional delegation from Louisiana, the Mayor of the City of New Orleans, and the Board of the Louisiana World Exposition, as well as the millions of individual citizens and corporations of the State of Louisiana, we can assure that the 1984 Louisiana World Exposition will be truly outstanding. It will provide an enriching and enjoyable experience for millions of people, and a vehicle for the dramatic economic and cultural development of our State.

Mr. BINGHAM. Thank you very much, Mr. Stone.

Mr. Mumphrey.

STATEMENT OF ANTHONY J. MUMPHREY, JR., REPRESENTING HON. ERNEST N. MORIAL, MAYOR, CITY OF NEW ORLEANS

Mr. MUMPHREY. Mr. Chairman and members of the subcommittee, it is my privilege and honor to appear as a witness before your committee and speak on behalf of the proposed legislation to authorize U.S. participation in the 1984 Louisiana World Exposition.

I am here today representing the mayor of New Orleans, Ernest N. Morial, and the other elements of New Orleans city government.

As you know, New Orleans will serve as the site of the 1984 Louisiana World Exposition, which will have a significant impact on the economy and physical makeup of the city.

CITY INITIATIVES ON BEHALF OF THE EXPOSITION

In addition, the world exposition will be a dramatic opportunity for the people of New Orleans to participate in unique social, educational, cultural, and business activities. As evidence of city government support for the world exposition, we have accomplished the following items in anticipation of the event:

One, the New Orleans 1984 World's Fair Committee has been established to monitor and coordinate the impacts and opportunities associated with the exposition.

Two, city agencies have worked closely with exposition organizers in the planning of the 1984 World Exposition.

Three, the city of New Orleans has agreed to share equally with the State of Louisiana, any losses incurred by Louisiana World Exposition, Inc., up to a maximum of the first $5 million.

Four, the city of New Orleans and the State of Louisiana have jointly secured and financed the construction of the New Orleans Convention and Exhibition Center through the use of public funds and public resources. This building will serve as a major pavilion of the 1984 World Exposition and is being provided at no rental cost.

Five, much of the exposition will be conducted on land owned and administered by the State of Louisiana, the city of New Orleans, or the board of commissioners of the Port of New Orleans. This land is being provided at no rental cost to the exposition.

Six, city agencies are preparing themselves to provide numerous public services for the influx of visitors associated with the exposition. We calculate that it will cost the city about $1 million more than we will take in in taxes to provide these services, which we are happy to do.

Seven, city government is cooperating with the exposition organizers and other appropriate private and public groups and agencies in insuring that the city receives as many postexposition residual benefits as possible.

Eight, finally, the city is seeking to secure the necessary resources to provide the capital infrastructure needed to host the 1984 World Exposition.

In closing, city government feels that the 1984 World Exposition will bring many benefits to New Orleans, and we support it both in our words and in our efforts to make it a truly successful and unique event.

Thank you for allowing me to testify before you today.

Mr. **Bingham**. Thank you very much.

We will hear now from Mr. Spurney. We are glad that you were able to get back from Europe for this hearing.

STATEMENT OF PETR L. SPURNEY, EXECUTIVE VICE PRESIDENT AND GENERAL MANAGER, LOUISIANA WORLD EXPOSITION, INC.

Mr. **Spurney**. Mr. Chairman, members of the subcommittee, it is a distinct pleasure and honor to testify before your committee on the proposed legislation to authorize U.S. participation in the 1984 Louisiana World Exposition, to appropriate funding for that purpose, and to provide for the appointment of the U.S. Commissioner General.

Much has already been accomplished to take the 1984 Louisiana World Exposition from a conceptual idea to the realistic and manageable implementation plant that we now have in place. For example, over 20 leases for property needed for the fair site have been signed and recorded; some $2.1 million in contracts have been let for engineering work, land surveys, master planning and architectural services; another $66 million in design and construction contracts are now in negotiation. Approximately $200,000 has been expended on feasibility studies and environmental impact analysis. Over 23 regulatory bodies or agencies on the local, regional, and State level have reviewed and approved the fair's master plan. Over $2 million has already been expended in organizational development, staffing, and planning activities. LWE has received the recognition of the U.S. Government, the sanction of the Bureau of International Expositions, and most importantly, invitations have already been issued to 147 countries, 50 States of the Union, and territories or possessions of the U.S. Government. We have indeed made remarkable progress and I would like to take a few minutes of your time to review, in chronological order, some of the highlights of the past 12 months.

If you would prefer, we could put this section in the record and then have more time available for questions.

Mr. BINGHAM. That would be helpful. The portion you skip over now will appear in the record.

[The following section from Mr. Spurney's prepared statement was subsequently submitted:]

I will begin this developmental sequence in April, 1981. At that time, the Department of Commerce recommended to President Reagan that the Louisiana Exposition was in the national interest and should be supported by the U.S. Government. U.S. recognition was the necessary last step in securing the official sanction of the Bureau of International Expositions, which was granted in Paris on April 22, 1981. Since U.S. recognition and BIE sanction in April, 1981, we have accomplished the following:

1. In May, 1981, negotiation began on site acquisition. By November 1, 1981, we had signed lease agreements for 80.4 acres, 33 buildings, 4 wharves, and city streets and other public spaces on or near the Fair site. These leases represent about $6 million in payments by LWE to secure the land needed for the Exposition.

2. In June, 1981, negotiations with banks were started to put in place the $40 million line of credit needed to plan and develop the World's Fair. Since that time, the bank agreement for the $40 million line of credit has been completed. In addition, we have arranged an additional $15 million contingency line of credit. In all, we have agreements with a consortium of 23 local, state, and national banks to finance the Fair's development costs. The line of credit was made possible by approximately 150 corporate pledges totalling some $38 million and a $2.5 million commitment from the State of Louisiana and the City of New Orleans.

3. In August, 1981, construction began on the $88 million Convention and Exhibition Center (where the Louisiana Pavilion will be located during the Fair.) Construction of the Convention Center is now approximately 35% complete with substantial completion scheduled for mid-1983.

4. In September, 1981, the U.S. Department of Commerce awarded a design contract to the Cooper-Lecky partnership of Washington, D.C. to develop the exhibitry for the United States Pavilion. The conceptual design of the exhibitry for the U.S. Pavilion has now been completed and reviewed by the Department of Commerce.

5. In October, 1981, the draft master plan for the World's Fair was released by LWE for public review and comment. Since release in October of 1981, the master plan has been reviewed by over 50 city, state and federal governmental agencies, neighborhood organizations, regulatory and planning organizations, historic preservation, business, labor and educational groups. The six-month review process resulted in a final master plan which was released on March 1, 1982, and reviewed by the City Planning Commission on June 17, 1982, without opposition or dissenting opinions.

6. In November, 1981, at a special session of the Legislature, the State of Louisiana authorized a $15 million loan to the City of New Orleans to pay for street, sidewalk, parking and traffic improvements to be made in conjunction with hosting the World's Fair. The loan will be repaid by a $1.00 surcharge on all World's Fair ticket sales. This legislation was passed with the full support of the Louisiana World Exposition. Legislative appropriation for this loan is anticipated within the next two weeks.

7. In January, 1982, the LWE construction budget of $72 million was finalized and the contract for design development was negotiated. Negotiations for leasing of four peripheral parking lots, containing approximately 11,200 parking spaces, was also initiated in January, 1982, and is proceeding on schedule.

8. In February, 1982, the arterial transportation and parking plans were completed. In addition, the entrance zone design for the Fair's entrance was completed by Urban Systems and Associates.

9. In March, 1982, President Ronald Reagan issued a proclamation formally announcing the 1984 Louisiana World Exposition and inviting the States of the Union and U.S. territories to participate. Also in March, Secretary of State Alexander Haig issued invitations, on behalf of the President, to 147 countries to participate in the Louisiana Exposition. With the release of the invitations, the marketing and participation programs moved into full operation. To date, LWE has received 28 positive diplomatic responses, either in writing or through diplomatic sources.

10. In April, 1982, the Final Environmental Impact Statement for the 1984 Louisiana World Exposition was completed and distributed to over 300 public and private agencies on the local, state and national level. The Final EIS, which said the project

would provide a number of desirable economic benefits and physical residual improvements for the city, region and state, officially cleared the way for the introduction and consideration of the legislation before you today.

11. Also in April, we officially opened the Headquarters Building of LWE at 805 South Front Street. The headquarters building now houses approximately 30 full-time staff members in the areas of site development, finance, art design, administration, personnel, transportation and property management. We also have employed another 25-30 full-time personnel on a contractual basis, including the architectural engineering and legal services needed by the Fair.

12. In May, 1982, the Archdiocese of New Orleans announced a major Vatican pavilion at the Louisiana World Exposition featuring church artifacts from around the world. In addition, the State of Louisiana announced a major pavilion estimated to cost approximately $6 million. Also in May, the field for the provision of the $6 million on-site monorail system was narrowed to two firms, with the final selection due in July.

13. In June, 1982, LWE reached a tentative agreement with the Rouse Company of Columbia, Maryland, for a major riverfront development on the Fair site similar to Harbor Place in Baltimore. This $25 million Rouse Riverfront development is one of the major residuals of the Fair, providing approximately 200,000 square feet of leasable space in a specialty shopping center format. Other major residuals include pedestrian malls, a monorail system, the renovation of historically important buildings, and street and sidewalk improvements in the CBD and French Quarter.

Mr. SPURNEY. In summary, the steps leading towards the implementation phase of the exposition are the result of extensive planning, as well as local, State, and national support of our efforts. As we look forward to hosting some 12 million visitors during the 6 months of the exposition, we view the continued commitment of the U.S. Government to this project and its participation in the exposition as the focus of the celebration of cultural ties among the community of world nations. The important legislation formally authorizing U.S. participation and appropriating $10 million for that purpose will serve as the impetus for achieving international recognition. It should be noted, however, that the $10 million appropriation does not allow LWE to construct a permanent facility for the U.S. pavilion. Unless additional funding is made available, the building will, of necessity, be designed as a temporary structure.

In closing, we greatly appreciate the subcommittee's timely consideration of this bill and we request your continued support. We hope that you agree that in the final analysis, the 1984 Louisiana World Exposition will offer a tremendous opportunity for citizens of the world to share in a once-in-a-lifetime experience—both educational and inspirational.

LEASING ARRANGEMENTS

Mr. BINGHAM. Thank you, Mr. Spurney.

Dr. Pratt said in his statement that the U.S. facility would be at no cost to the U.S. Government. Am I right in believing that there will be a lease payment for it?

Mr. SPURNEY. The concept has the fair organizers building the structure which houses the U.S. exhibitry. The exhibit itself and the film would be handled under the $10 million appropriation request as would the administrative cost of the Federal Government staff. In providing the building, we are providing a pre-engineered temporary structure adapted to the level that is necessary to house the design of the U.S. pavilion exhibit.

We are requesting that should this committee entertain the possibility of having a permanent structure, this would require an additional $5 million to build a structure which would have a permanent residual.

However, our budget does not allow us to go to that additional $5 million at this time.

Mr. **Bingham**. What about the question of a lease?

Mr. **Spurney**. The semantics and legalities are such that we are willing to enter into a participation agreement which would allow the Federal Government to participate by utilizing that building.

We are doing the same arrangement legally with the dock board where we do not have a lease per se, but a participation arrangement.

Mr. **Shamansky**. I am a lawyer, and I don't understand what you are saying.

Mr. **Spurney**. There seems to be some problems with the Federal Government entering into a lease.

Mr. **Shamansky**. Well, what is it doing? What are you proposing that it do?

Mr. **Spurney**. This is an arrangement developed within the Department of Commerce with regard to occupying the structure that we build.

Mr. **Shamansky**. Does the bill provide for a lease or does it not provide for a lease?

Mr. **Spurney**. Basically, there is no consideration for occupancy of the structure that we are providing.

Mr. **Shamansky**. It is going to be a lease for a set term, but no rent? Oh, that sounds fair.

Mr. **Spurney**. This will be the first exposition that has ever happened, sir.

Mr. **Shamansky**. You are on the right track. I will give you credit there.

FOREIGN GOVERNMENTS' RESPONSE

Mr. **Bingham**. Mr. Spurney, where do you stand as far as participation by foreign governments are concerned?

Mr. **Spurney**. Since the invitations went out, we have received 28 responses acknowledging the invitation and expressing interest. To date, we do not have any nations that have signed a contract with regard to participation.

Part of this surrounds the formalization of the U.S. participation.

A foreign government does not want to participate in a fair in which the host government is not participating.

As the official representative of the host nation, the Commissioner General assures these governments, should they come to New Orleans to participate, that they will be treated fairly, and we, the organizers, who are not a government body, will have a higher authority to insure that we produce the event without any embarrassment and in accordance with the goals set forth by the BIE.

The fact that the U.S. Government is the only Government participating in these events where there are private organizers, really requires a Commissioner General, and authority for U.S. participation prior to other nations taking an active role.

IMPORTANCE OF AMBASSADORIAL RANK

Mr. **Bingham**. Since you mentioned the Commissioner General, will you speak to the issue of whether or not it is important to give him the rank and privileges of ambassador?

Mr. **Spurney**. I think it is very important. I took over the Spokane International Exposition with 220 days to go, and this is the first one I had the pleasure of starting, and I knew that in the course of that event, there were a lot of problems, because the Commissioner General did not have the rank of ambassador.

The man appointed for the commissioner generalship resigned shortly after the exposition opened.

It is important because the Bureau of International Expositions expects commissioner generals who represent their nations to be ambassadors. The BIE does not appoint them, but each of the countries involved gives them ambassadorial status. When we participate in an international exposition, when we go to Osaka or Canada, the Commissioner General does have the rank of ambassador, but when it is held in the United States and he is head of the College of Commissioner Generals, which means he has the authority over the entire exposition, he does not have that rank because it is in his own country.

It is also important to us because it establishes the type of leadership and the type of person who would be appointed to that job.

We are looking for someone to work with us and insure the success of the exposition and insure that as many nations as possible will come together in a spirit of peace, friendship, trade promotion, looking at the problems of water; we need the leadership that ambassadorial rank denotes.

It is very important to us and we would stress that you look at this to insure that the United States is going to fulfill the role of its treaty with the Bureau of International Expositions and fulfill what I see as an expanded role in the BIE.

William Morris is an officer in the BIE, Vice President of the Information Committee. One of his objectives is to increase international participation. The Commissioner General to be appointed for New Orleans is of great concern to the BIE. When it will happen, who will it be, and will he have the rank of ambassador, because this would strengthen our role in the international body.

With the exhibitions planned for the future, it is important that we look at New Orleans as a model and give the people that are working on this exposition all of the tools and resources necessary to do the job that we all want done.

If you research some of the concerns that were raised in Knoxville, I think the appointment of a Commissioner General as ambassador would greatly have facilitated more prompt international participation. Further the Commissioner General was replaced shortly after the exposition got underway once again, I feel that an ambassadorship would have minimized these kinds of problems.

As an organizer, we cannot stress enough the importance of having ambassadorial rank.

CAREER AMBASSADORS

Mr. **Bingham**. What do you think of my suggestion that there are career ambassadors available?

Mr. **Spurney**. As long as the man that is appointed is qualified, whether he be career or private, is really not inconsequential. It is important that we get a person who is committed to the job, would work with us, and there are advantages to your suggestion of a career ambassador with the training he has had.

Knowing how to work with our embassies abroad and the different nations is something that many of the appointees who have not had this training and background do not possess and there could be great merit to it. However, we as organizers are not taking an active role in the selecting of this person.

Mr. **Bingham**. Do you feel that it is essential that the Commissioner General have had experiences in that kind of activity; that is, in the conduct of a world's fair?

Mr. **Spurney**. I am not sure if he needs to have experience in the conduct of a world's fair, but he does have to have an international awareness. I believe he should be comfortable abroad and he should understand the different ways you approach different countries with regard to participation, and in some cases, this is only possible through a person who has had a career in the Foreign Service.

TIME CONSTRAINTS

Mr. **Bingham**. Would you address yourself to the question of these two waivers that appear in Mrs. Boggs' bill and not in the administration's bill?

Mr. **Spurney**. These waivers were introduced basically looking at the problems that an administration has in a short period of time for participation.

By the organizers constructing the building, we have eliminated some of the concerns. We, of course, can do negotiated contracts. We don't necessarily have to follow some of the same provisions that a public body does. However, we realize we operate very much in the sunshine, so we try to adhere to all of the regulations as well. It is important that you know these provisions do not impact the fair organizers, but impact the Federal Government in proceeding in a timely manner with its contract for the exhibitry and putting together the film and the other parts of the U.S. participation.

We have felt all along that there has to be a reassessment of the international exhibition participation. Our exhibition is the first one where our funds were used for the environmental impact statement. Heretofore, the Department of Commerce put up the money for the environmental impact statement. Then if it was not favorable, the organizers would not have been out of pocket. We have been working very closely with the Federal Government, and we may have to make funds available until moneys are appropriated for the Commissioner General to start work on our behalf. Every time that we could, we tried to overcome the time constraints that were forced on us by utilizing our resources.

My main concern is time. However, these projects do have a critical mass and they do come together in many ways better when there is a constraint on time.

It is an inducement to excellence, believe it or not, but we would like to see the Federal Government have legislation so that when we open the fair we don't find that we have an incomplete exhibit.

Mr. **Bingham**. Thank you very much.

Mr. Lagomarsino.

Mr. **Lagomarsino**. I will yield to Mr. Shamansky.

LOUISIANA'S FISCAL RESOURCES

Mr. **Shamansky**. I have to leave.

I would very much appreciate Mr. Stone's providing me with information with respect to the unemployment rate in Louisiana.

Mr. **Stone**. I don't know it off the top of my head. I think it is around 10 percent. I will provide that for you.

[The following information was subsequently provided:]

Unemployment Figures for Louisiana

The latest figures show Louisiana's unemployment rate to be 10.3 percent.

Mr. **Shamansky**. Second, the deficit, if any, for the State of Louisiana?

[The following information was subsequently provided:]

Budget Figures for Louisiana, Fiscal Year 1981

Louisiana's Constitution requires that the Governor submit and the Legislature pass a balanced budget every year. Louisiana's fiscal year 1981 budget was $6,260,825,598. It has a total debt of $2,011,481,553.

Mr. **Stone**. They are in the middle of a budget process now.

Mr. **Shamansky**. Ohio is $1 billion down right now, in the hole.

Also, I would like to develop statistics on the extraction taxes imposed by the State of Louisiana on gas and oil sent to the State of Ohio.

[The following information was subsequently provided:]

Louisiana Tax Revenues From Oil and Gas Production

Louisiana taxes oil and gas from on-shore wells (we get nothing from oil and gas produced on the Outer Continental Shelf) at the rate of 7 cents per thousand cubic feet of natural gas and 12.5 percent of the value of crude oil.

In 1981, Louisiana exported roughly $88 million of its severance tax on natural gas. This is approximately 1.4 percent of the energy subsidy of $6.13 billion which Louisiana gives to the rest of the nation in the form of below market clearing prices for natural gas. The wellhead price in Louisiana was $1.40 per million BTU of natural gas whereas the wellhead price of oil was $5.90 per million BTU, a difference of $4.50 per million BTU. Applying the $4.50 per million BTU to our interstate exports results in the $6.13 billion subsidy, which was more than our entire state budget.

Interestingly, the wellhead price of Louisiana's natural gas plus the severance tax is 40 percent less than the wellhead price in Ohio, based on 1980 data. However, the average cost of our residential gas is only 4 percent less than that of Ohio. So, although we produce low cost natural gas, we are not reaping the benefits of it.

A similar situation exists with regard to Louisiana's oil. Our severance tax collections are far less than the collections of the federal government due to its excise tax on oil, the Windfall Profits Tax. Also, Louisiana's oil might be more beneficial to employment in many other states than in Louisiana. For example, according to the most recent county business pattern data of the U.S. Department of Commerce, as compiled by Arthur D. Little, Inc., there were 797,000 persons in Ohio working in petrochemical and petrochemical dependent industries out of the entire workforce of 3,990,000; so 20 percent of Ohio's jobs were due to the petroleum industry. Conversely, Louisiana had 222,000 out of 1,318,000 workers or 16.8 percent in that sector of its economy. The fact that Louisiana only ranks thirty-fourth in percent of workforce employed by petrochemical and petrochemical dependent industries is not that surprising if one considers that Louisiana exports approximately 80 percent of its oil to satisfy the needs of other states.

In 1981, Louisiana collected $815 million in severance taxes. It was impossible for me to find out how much of that was paid by Ohio consumers since there is no way to find out which oil and gas went to Ohio and what price was paid for it.

U.S. FINANCIAL PARTICIPATION

Mr. **Shamansky**. I really want to see, obviously, whether or not the State of Louisiana, which I suspect, is really rich enough to pick up this paltry $10 million. You can go ahead and have this marvelous fair without any Federal cost which seems to be the theme these days of the administration, and a number of the representatives from Louisiana. I think it would be a marvelous demonstration as an example for the country if Louisiana could do such a thing without Federal particiation. It would be interesting to see how that would work out.

Mr. **Stone**. We are talking about whether or not the Federal Government wants to participate in the Louisiana World Exposition. Louisiana has already appropriated $30 million for the construction of the exhibition and convention halls on the fair site and is in the process of providing additional funds as outlined in Governor Trean's statement.

Mr. **Shamansky**. The fair is going to go ahead whether or not the Federal Government participates?

Mr. **Stone**. If the United States does not want to participate in it, I don't expect that there will be a world exhibition.

Mr. **Shamansky**. You mean to say with all of the resources available that you have been describing here, just this $10 million is going to make the difference?

Mr. **Stone**. It is more of a legal problem.

Mr. **Shamansky**. I am talking about dollars.

Mr. **Stone**. Louisiana cannot provide for the Commissioner General to be appointed.

Mr. **Shamansky**. No, I am saying, we can make an attempt to amend the bill and leave everything in there except not authorize any expenditure of any money. We will give you authority to pay those people and give the status, you just pay them.

Mr. **Stone**. Mr. Pratt wants to respond here.

Mr. **Pratt**. I am a U.S. delegate to the Bureau of International Expositions. I can't justify this for you at any length, but I would like to make the balanced assertion, knowing the delegates from the other 35 countries as well as the more than 100 countries that are not participants in the BIE, that the Louisiana organizers and the U.S. Government would not get one foreign international government to participate if the U.S. Government itself does not participate.

Mr. **Shamansky**. I want to make very clear what I am talking about. Everything that you need in terms of rank, authority, so on and so forth is there.

I am just talking about the $10 million. That is all.

Mr. PRATT. Mr. Shamansky, the $10 million is not some kind of an optimum figure that Mr. Stockman and Mr. Baldridge agreed to.

Mr. SHAMANSKY. Pardon?

Mr. PRATT. The $10 million that was agreed to is not some kind of lovely, desirable optimum. It was considered an irreducible minimum below which the United States——

Mr. SHAMANSKY. I have no challenge as to that. It is Mr. Stockman's ability to spot things that are good and bad and in the very special circumstances that I am questioning. It is so selective that I cannot fathom at all his criteria.

It is a subjective rather than an objective exercise, as far as I am concerned, and we are talking about whether or not this exposition will go ahead with other people picking up the tab and not the Federal Treasury.

That is all. You can have all the authority you want, give all the medals you want and all kinds of fancy papers, but it is just that the Federal Government won't pay the tab, that is all.

Mr. PRATT. Yes, but the convention of the Bureau of International Expositions of 1928, and they had been having fairs for 75 years at that time starting with London in 1851, but the provisions of that convention, sir, to which the United States is a treaty organization does not provide for in fairs for which the U.S. Government does not put any money.

Mr. SHAMANSKY. Mr. Pratt, I am not going to review that, because this lawyer has nothing over that treaty and those organizations, but I will tell you, this lawyer would have no problem making an arrangement whereby the State of Louisiana donated $10 million to the Federal Government which could then appropriate that money. That is easy to handle. That is game playing, but for you to ascertain boldly about what this law says and requires, I will leave that open.

Thank you, Mr. Chairman.

Mr. BINGHAM. Thank you. Mr. Lagomarsino.

TEMPORARY BUILDING FOR U.S. EXHIBIT

Mr. LAGOMARSINO. The exposition would furnish a temporary building, is that corrrect?

Mr. STONE. Yes.

Mr. LAGOMARSINO. Just for the U.S. exhibition?

Mr. STONE. Yes.

Mr. LAGOMARSINO. How temporary would the building be?

Mr. SPURNEY. For a structure to meet code and exist for 6 months, it is very close to becoming more of a permanent type structure. It is a preengineered structure.

We have some brochures which will be made available to you which will give you an idea.

The architects have gone through and given us a budget of $5.5 million for a temporary structure. It will take approximately another $5 million to put the permanent improvements to that.

Mr. LAGOMARSINO. What is the difference between a temporary one that is permanent and a permanent one?

Mr. **Spurney**. Mainly, the type of materials going into it, the preengineered structures, wherein you still have the fire codes, the necessary exits and so forth, but you use a material that does not have a permanency with regard to time.

Mr. **Lagomarsino**. One thing, and I guess I should have asked Mrs. Boggs about this, but as I understand her testimony, what she was saying, I think, was that it won't cost the U.S. Government anything, because we will give a loan for the additional $5 million, and that will provide $10 million for a permanent building, a permanent, permanent building, but then I didn't follow through on how the U.S. Government would come out on that, because she was saying the building would be used for a museum, but we couldn't afford to pay for it?

Mr. **Spurney**. Several proposals are being explored.

Mr. **Stone**. If I might respond to that, the architects, like I said, have said that it will cost about another $5 million to make it permanent.

The idea was floated around here in the last couple of weeks that the Federal Government provide an additional $5 million loan guarantee to LWE, then LWE expend that money for the building and make it permanent. Then it would be paid back in one of two methods. It would be either by excess profits, for lack of a better term, because this is a nonprofit corporation, or by revenues derived from the sale of a commemorative coin.

REVENUE EARNING EFFORTS OF FAIRS

If the fair was as big a success as we think it is going to be, enough excess revenue would be generated over and above the break-even point, then this money would be distributed to local facilities. We could take that money to pay back the loan. The money would not actually come from the Government, but we would go to a bank in New Orleans and borrow $5 million, and the Federal Government would be the guarantor of that, and at the end of the fair, we would pay it back by excess revenues.

Congressman Livingston is currently involved in drafting a bill tracking the Annunzio coin commemoration for the Olympics. It would provide that the U.S. Treasury mint a coin for the World's Fair, with a $10 surcharge over and above what the cost of producing that coin. If you sold a half million of those coins at a $10 profit on each, that is $5 million there, and that could be used to pay back the loan that the Federal Government guaranteed.

We are open to all kinds of possibilities to pay that back. We are trying to be creative and not asking the Federal Government for additional funds, but give us a loan guarantee so we can go out and raise the money.

Mr. **Lagomarsino**. Make the loan against either of those two?

Mr. **Stone**. Nobody has asked the bank for that. I know we could get it if we had Federal Government guarantee.

Mr. **Spurney**. The fair corporation goes out of business in 1985. It is very important to us that there be an ongoing organization to operate this structure, and there have been some proposals put forward where the New Orleans exhibit hall authority which manages the exposition hall, which will be a part of the State exhibit for the

World's Fair, would operate this building. So there is a public entity, a public authority which could be brought to bear to insure there was a continuity.

We as a fair organization do go out of business.

Mr. **Lagomarsino**. The building will still be there, is that correct?

Mr. **Spurney**. Well, no, at the end of the exposition, the temporary structure would be dismantled, and the area would go back to an active wharf.

Mr. **Lagomarsino**. But if it was a permanent building, it would not be?

Mr. **Spurney**. That is correct. We have worked out with the Dock Board of the State of Louisiana a means whereby the first floor would go back to an active wharf and the second and third levels would remain in a permanent-use mode.

Mr. **Lagomarsino**. That could not be done—well, thank you.

EXPOSITION ATTENDANCE

Mr. **Bingham**. Mr. Spurney, the short interval between this exposition and the Knoxville exposition in terms of the habits of tourists, particularly American tourists, are they more or less likely to go to another fair if they have just been to one?

Mr. **Spurney**. I believe they are more likely. The Bureau of International Expositions changed its treaty and there were some grandfathered clauses in that New Orleans started to petition the BIE prior to Knoxville, but in the course of the protocols being modified, there was allowed two fairs in one country within 2 years on a different theme. Formally under the new protocol, it would be 4 years between fairs. However, the major attendance of an international exposition, 60 percent, is from within a day's drive, and you do not impact that market when you are in two cities like New Orleans and Knoxville, which are more than a day's drive apart, about 600 miles.

Basically, 40 percent then comes from throughout the United States, Canada, Mexico, and the rest of the world. Our themes are different, and the host cities are tremendously different. Since a world's fair succeeds on attendances, it is important to note that New Orleans is becoming a major point of destination for tourism. We presently have some 6,000 additional hotel rooms under construction in the city, most of which will be ready for the World's Fair. More importantly, this demonstrates the major buildup in tourism and trade that the city is experiencing.

We have quite a few international firms building hotels in New Orleans because of the tremendous interest of internationals in what they consider to be a European-type city.

Our fair, unlike Knoxville, is the first exposition which is going to have a major impetus towards trade development. We are working with the U.S. Department of Commerce, the Louisiana State Department of Commerce, and the International Trade Mart, to insure that the countries that participate actively discuss trade opportunities.

The fact that the Department of Commerce has placed the international exposition for New Orleans under ITA, whereas in previous years, they were under the U.S. Travel Service, I think is very significant in the role that we are going to be able to accomplish with this exposition. For participation, we have a different approach, a different theme, water, a very strong emphasis on trade and then for our attendants, a very different market, from a regional nature and because of the unique aspects of the host city, New Orleans, an international market.

I do not feel they would be conflicting. The Disney World development EPLOT which will open this fall, combined with the Los Angeles Olympics in 1984, could be combined to do Florida, Louisiana, and California in 1984 as a package of three once-in-a-lifetime experiences.

LEARNING FROM KNOXVILLE

Mr. **Bingham**. Have you looked at the problems encountered in Knoxville?

Mr. **Spurney**. Yes, we have studied Knoxville very closely. We have teams there actually this week, and we have been working with their management staff gaining as much experience as possible.

The Department of Commerce has also been working very closely with Knoxville and made a major contribution toward their success. For us, as the Department of Commerce learned from Knoxville, they applied some very stringent criteria to our performance. We have had to show our financing, show our organization, and had to show some very detailed economic studies as well as environmental studies. As a result of Knoxville, we have been put under the most severe magnifying glass that the Department of Commerce could find.

I like to think that we have risen to the occasion, and we will benefit dramatically from Knoxville, and that Chicago will hopefully be successful and benefit from New Orleans.

Mr. **Bingham**. I have been looking at the brochure and it is beautifully done.

INTERNATIONAL PAVILION

The international pavilion, I take it that would be for the exhibits of other countries? You wouldn't expect them, as they did in the New York World's Fair, for example, to have their own buildings?

Mr. **Spurney**. I cannot take credit for that brochure. That was done under a Department of Commerce contract with Federal funds. We work closely with the Cooper-Lecky partnership who produced it.

Under a special category, international exposition, the host nations must provide the structure, and this is so that the majority of the moneys that are expended for the participation by countries go into the exhibitry instead of architecture. Under a universal exposition, it is the opposite; architecture plays a major role, and each of the nations must build their own structure.

The host nation at the far end, up river is the pavilion that we are talking about, and the international pavilion which we will be constructing as a shell, and leasing to international participants stretch along the river.

The leases go for approximately $35 a square foot, and we provide a shell similiar to a shopping center, with the international installing exhibitry. We are very fortunate that right at dockside the nations can deliver their exhibitry in containers and off-load them right outside the door of their pavilions, thereby minimizing the cost. This area, after the exposition, the lower level will go back to active wharf use, and the upper level will become a permanent residual for the city of New Orleans with a Rouse Development similar to Baltimore's Harbor Place. It will be a very, very major residual after the exposition.

ANTICIPATED EXHIBITS

Mr. **Bingham**. The Source Theater and the Source film?

Mr. **Pratt**. That is part of the exhibitry that we planned, that we have detailed that extensively in the appropriation measure that we are planning.

Mr. **Bingham**. Can you be a little more specific?

Mr. **Pratt**. We plan a super 70 millimeter film that will last for 24 minutes or 23 minutes with a 7-minute change, so that the film is shown twice an hour, so that in a 12-hour period we change that 24 times.

There is an IMAX film at Knoxville produced by Francis Thompson. We used an IMAX process, such as the "To Fly" that is over at the Smithsonian here in Washington. Thompson produced that, too.

There are new processes in the 70 millimeters that have different names, but we plan a super 70 film with a different sound treatment using the sounds of water to do a symphony synthesized by a computer. That never has been done before, but innovation is one of the things you try in international expositions.

We are working very closely with the organizers, headed by Mr. Spurney, on that.

It will be both entertaining and educational.

Mr. **Bingham**. I don't want to get into too much detail, but are these illustrations here?

Mr. **Pratt**. These are things that are illustrative only, sir.

They are from the preliminary design. That is a preliminary design. When we go into final design——

Mr. **Bingham**. I have a little difficulty relating these to the theme.

Mr. **Pratt**. They are all related to rivers and water.

Mr. **Spurney**. We are very excited about the preliminary plans for the U.S. pavilion, and the use of a brandnew photography concept which comes out of some of the special effects that have been developed in Hollywood for "Star Wars" and the "Empire Strikes Back". The ability to use the theme to make it very educational and to incorporate the dynamics of the building with a waterfall, which we call the Fountains of Celebration, is wonderful. We feel, with the budget that has been put together, that we are getting a tremendous exhibit at a very, very modest cost compared to what the U.S. participation in other expositions has been.

It is important to the host nation that this really be the piece de resistance, and in working with some leading designers around the country, we think this document shows a tremendous concept developed on a very timely theme, water. We are excited about the work that has been done and we are looking forward to the ability for the Federal Government to proceed.

Mr. **Bingham.** Thank you very much.

Mr. **Lagomarsino.** Could I just ask a few questions to clarify this?

Mr. **Bingham.** Yes.

FEDERAL PARTICIPATION, $10 MILLION

Mr. **Lagomarsino.** Is the building described on page IV of the document the $10 million pavilion or the $5 million one?

Mr. **Spurney.** $5.5 million for the structure that houses a $10 million Federal participation. The Federal participation includes approximately $6 million of exhibitry and $4 million of administrative costs in overhead.

Mr. **Lagomarsino.** Are you sure you want to say that?

This says:

> This contingency has greatly influenced the design program for the pavilion. For one thing, the need to replace the single-story warehouse now being cleared from the site, has dictated that the U.S. pavilion become a permanent structure, its lower floor readily convertible back to warehouse use.

Mr. **Spurney.** This was under the original concept that this could be a permanent structure. That was the concept that started, then we developed our budgets, and basically said unless the Federal Government could come up with $15 million rather than the $10 million the building would have to be temporary.

Mr. **Pratt.** This contract was completed in January, and we didn't have it at that time.

Mr. **Lagomarsino.** I understand, but at that time we were talking about a $10 million building?

Mr. **Pratt.** No, sir, $10 million participation. Mr. Spurney, you correct me, a $10 million building?

Mr. **Spurney.** Cooper-Lecky was assuming that there would be another $5 million funded.

The permanent building would have a $10 million building, but the Federal Government participation has also been limited to $10 million.

Mr. **Bingham.** Do I understand that the Governor asked for $15 million?

Mr. **Stone.** Yes; he did ask for $15 million.

Originally, when they settled on the $10 million, that was about a little over a year ago, it was his understanding that it would be from $10 to $15 million, and it was Mr. Stockman's understanding that it would be $10 million.

The Governor wrote a letter to the Secretary of Commerce, and I don't have a copy of it here, but he wrote a letter earlier this year, saying that he requested the Secretary of Commerce recommend to OMB that the range be closer to $15 million rather than $10 million. I never saw a copy of the reply, but I was told the Secretary wrote him back and said that no, $10 million is all that we authorize, and that is all we are going for, but the Governor did request the additional $5 million, and he is supporting this idea of a loan guarantee for the additional $5 million.

Mr. **Spurney**. The original understanding was that there would be a $10 million building, and it ended up being a $10 million participation which had operational, administrative costs as well, so the misunderstanding between the Governor and the Office of Management and Budget was the fact that he thought it would be $10 million for the building where it ended up being $10 million which included $4 million for operation costs.

Mr. **Lagomarsino**. Nothing for the building, as I understand it?

Mr. **Spurney**. That is the way it ultimately ended up. We recognized that the Federal participation would have been $10 million for the pavilion.

Mr. **Lagomarsino**. Originally $4 million for participation, and now it is $10 or it is $5 million there someplace?

Mr. **Spurney**. $5 million for the building and $5 million for exhibitry, and hopefully $5 or $4 million for participation, administrative costs, salaries. It ended up being $10 million in total.

Mr. **Lagomarsino**. Thank you.

Mr. **Bingham**. Yes, thank you very much. We appreciate you being with us.

[Whereupon, at 4 p.m., the subcommittee adjourned to reconvene at the call of the Chair.]

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AUTHORIZATION FOR THE 1984 LOUISIANA WORLD EXPOSITION

TUESDAY, JULY 13, 1982

House of Representatives,
Committee on Foreign Affairs,
Subcommittee on International
Economic Policy and Trade,
Washington, D.C.

The subcommittee met in open markup session at 1 p.m. in room 2200, Rayburn House Office Building, Hon. Jonathan B. Bingham (chairman of the subcommittee) presiding.

Mr. **Bingham**. The subcommittee will be in order.

We meet today to mark up legislation to authorize United States participation in a planned international exposition to be held in 1984 in New Orleans, the Louisiana World Exposition. The subcommittee has pending before it H.R. 6409 introduced by Congresswoman Lindy Boggs and other members of the Louisiana delegation.

The subcommittee has also received a draft legislative proposal from the administration. That has not been formally introduced, but a copy marked "administration bill" is in the members' folders.

The funds authorized by this bill, should the Congress decide to authorize them, are needed beginning in the current fiscal year to get work started on the U.S. pavilion, to appoint the U.S. Commissioner General, and to permit certain activities by the United States as the host government of this exposition.

I would remind members that a waiver will be required for this bill from the Budget Committee since the Budget Act deadline for reporting and acting upon 1982 authorization bills is obviously long past. The committee staff is already working with the Budget Committee staff to obtain that waiver, so we trust there will be no delay on that point.

Since there were a number of ideas for changes in the bill that were mentioned in the hearing we held on June 21, and since the staff has noted several technical changes that would be necessary to conform to the Budget Act, I asked the staff to prepare a staff draft showing those changes and including language that would encompass the changes discussed in the hearing.

I would suggest, therefore, if there is no objection, we use that document which is marked "staff draft" as the markup vehicle, and that we go through it section by section asking the staff to explain any changes that appear, most of which are technical. As to substantive changes, we will follow the usual procedure, that they will not be considered adopted unless a motion is made or no objection is entered to that end. Of course, members will be free to offer other amendments.

[The text of the amendment in the nature of a substitute to H.R. 6409 follows:]

[STAFF DRAFT]

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 6409

97TH CONGRESS
2D SESSION

H. R. 6409

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 1982

Mrs. BOGGS (for herself, Mr. LIVINGSTON, Mr. BREAUX, Mr. LONG of Louisiana, Mr. MOORE, Mr. HUCKABY, Mr. TAUZIN, and Mr. ROEMER) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To provide for the participation of the United States in the 1984 Louisiana World Exposition to be held in New Orleans, Louisiana, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with the Act entitled ''An Act to provide for Federal Government recognition of and participation in international expositions proposed to be held in the United States, and for other purposes,'' approved May 27, 1970 (22 U.S.C. 2801 et seq.), the President is authorized to provide for United States participation in an international exposition to be known as the 1984 Louisiana World Exposition (hereinafter in this Act referred to as the ''Exposition''), to be held in New Orleans, Louisiana. The purposes of the Exposition are--

(1) to offer the citizens of the world a greater understanding and appreciation of rivers and fresh water as a basis of life, providing food, transportation, energy, generating related industry and commercial activity, and serving as a source of aesthetic gratification, social interchange, and inspiration for the arts;

(2) to create an awareness of the need to conserve and protect the world's fresh water resources from the hazards of increasing demands, diminishing supplies, pollution, and ecological disruption; and

(3) to stimulate international trade, encourage tourist travel in and to the United States, and promote cultural exchanges.

SEC. 2. (a) The President, through the Secretary of

Commerce (hereinafter in this Act referred to as the ''Secretary'') and the other officials designated in this Act, is authorized to carry out in the most effective manner the proposal for United States participation in the Exposition, transmitted by the President to the Congress pursuant to section 3 of Public Law 91-269 (22 U.S.C. 2803), and to fulfill the obligations of the Federal Government under the Convention Relating to International Expositions, done at Paris, France, on November 22, 1928, as amended, and entered into by the United States at Paris on April 30, 1968 (hereinafter in this Act referred to as the ''Convention''), and under the General Rules for the 1984 Louisiana World Exposition, as approved by the Bureau of International Expositions.

#1

(b)(1) The President is authorized to appoint, ~~without Senate confirmation~~ by and with the advice and consent of the Senate, a Commissioner General of the United States Government for the 1984 Louisiana World Exposition, who shall be in the Department of Commerce and who shall be the senior Federal official for the Exposition. The Commissioner General shall have such duties and exercise such responsibilities as may be prescribed by the Secretary and as may be necessary and appropriate to fulfill the obligations of the United States Government under the Convention and the General Rules for the 1984 Louisiana

World Exposition.

(2) The Commissioner General shall be compensated at a rate not greater than the minimum rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code. ~~The-Commissioner-shall-be-conferred-the-rank-of-Ambassador.~~

#2

(c) The Secretary of State ~~shall~~ may assign for duty with the Exposition not more than two career members of the Foreign Service who have the rank of ambassador (other than a chief of mission) to assist the Commissioner General in performing the functions of the Commissioner General in foreign countries and in carrying out the diplomatic responsibilities of the United States as the host Government of the Exposition. The travel and other necessary expenses authorized by law which are incurred by the individual or individuals assigned pursuant to this subsection in carrying out the responsibilities of that assignment shall be paid from funds appropriated to carry out this Act. The assignment of the individual or individuals pursuant to this subsection shall terminate at the close of the Exposition or on such other date as may be agreed upon by the Secretary of State and the Secretary.

(d) Any functions which the Commissioner General or the individual or individuals assigned pursuant to subsection (c) of this section perform in a foreign country shall be performed in consultation with the Chief of the United States diplomatic mission in that country, and the Commissioner General or such individual or individuals shall keep the Secretary of State fully and currently informed with respect to all those functions so performed.

(e) The Secretary shall designate a Commissioner General of Section for United States participation in the Exposition (as provided in the proposal referred to in subsection (a) of this section), who shall be in the Department of Commerce and who shall perform such duties in carrying out this Act as may be delegated or assigned by the Secretary, including serving as director of the United States pavilion.

SEC. 3. (a) ~~Subject-to-the-availability-of-appropriations;-~~To such extent or in such amounts as are provided in appropriation Acts, the Secretary is authorized to-- #3

(1) incur all necessary expenses to carry out the purposes of this Act, including expenditures for the design, development, construction, installation, rental, purchase, or other acquisition of exhibits and materials and equipment therefor, and the actual display, dismantling, and disposition thereof;

(2) lease such buildings and other structures or space therein (including commercial space for administrative purposes) and any land appurtenant

thereto, and to make such improvements and renovations as may be appropriate for United States participation in the Exposition;

(3) incur all necessary expenses for United States participation in the Exposition, including transportation, insurance, safekeeping and storage, maintenance and operation, printing, purchase of reference books, newspapers, and periodicals, and publicity; and

(4) enter into such contracts and agreements as may be necessary to provide for United States participation in the Exposition.

(b) The Secretary is authorized to issue to the Louisiana World Exposition, Incorporated (hereinafter in this Act referred to as ''LWE, Inc.'') guarantees on loans provided to LWE, Inc., after the date of the enactment of this Act for the construction of a permanent structure to be used for the United States pavilion at the Exposition. Such guarantees shall be issued on such terms and conditions as the Secretary considers appropriate. The total principal amount of loans guaranteed under this subsection may not exceed $5,000,000.

#4

SEC. 4. The Secretary is authorized to obtain the services of consultants and experts as authorized by section 3109 of title 5, United States Code, to the extent the

Secretary considers it necessary to carry out the provisions of this Act. Persons so appointed shall be compensated at rates not to exceed the daily equivalent of the rate of basic pay payable for grade GS-18 of the General Schedule. ~~Subject to the availability of appropriations~~ To such extent or in such amounts as are provided in appropriation Acts, persons so appointed shall be reimbursed for travel and other necessary expenses incurred, including a per diem allowance, as authorized by section 5703 of title 5, United States Code, for employees serving intermittently in the Government service.

#5

SEC. 5. (a) Notwithstanding section 3679(b) of the Revised Statutes of the United States (31 U.S.C. 665(b)) and section 3111 of title 5, United States Code, the Secretary is authorized to recruit, train, and accept ~~without regard to the civil service classification laws, rules, or regulations~~ the voluntary services of individuals in carrying out those functions, services, or activities in and related to United States participation in the Exposition.

#6

(b) To such extent or in such amounts as are provided in appropriations Acts, the Secretary is authorized to provide for incidental expenses of individuals providing voluntary services described in subsection (a), including transportation, uniforms, lodging, and subsistence.

#7

(c)(1) Except as provided in paragraphs (2) and (3) of this subsection, an individual providing voluntary service described in subsection (a) shall not be deemed to be a Federal employee and shall not be subject to those provisions of law relating to Federal employment, including provisions relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(2) For purposes of section 1346(b) and chapter 171 of title 28, United States Code, an individual providing voluntary service described in subsection (a) shall be deemed to be an employee of the government.

(3) An individual providing voluntary service described in subsection (a) shall be deemed to be an ''employee'' for purposes of subchapter I of chapter 81 of title 5, United States Code, relating to compensation to Federal employees for work injuries. For purposes of that subchapter, such an individual shall be deemed to be receiving monthly pay at the minimum rate of GS-2 of the General Schedule.

#8-

SEC. 6. (a) The Secretary is authorized, to such extent or in such amounts as are provided in appropriation Acts--

#9

(1) notwithstanding the requirements of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), to purchase for resale and to sell at fair market value ~~without-regard-to-the-requirements-or-limitations-of-other-statutes;~~ books, brochures,

#10a

recordings, souvenirs, and other items in conformity with the theme of the Exposition and commemorative of the United States participation in the Exposition, and charge an amount sufficient to realize a reasonable profit on the sale of those items; and

(2) to enter into contracts and leases, including cooperative arrangements and concessions agreements, with respect to the sale of such items.

The proceeds from the sale of the items described in paragraph (1) shall be credited to the appropriation for the United States participation in the Exposition and may, to the extent provided in advance in appropriation Acts, use such credited amounts for such participation. To the extent that such proceeds exceed the amounts necessary to provide for such participation, they shall be covered into the Treasury as miscellaneous receipts.

#10b.

(b) The Secretary is authorized to provide, without charge, aid and assistance to visitors to the United States pavilion in emergencies.

SEC. 7. ~~In-fulfillment-of-the-responsibilities-attending-the-Government's-official-recognition-of-the-Louisiana-World-Exposition,-Incorporated-(hereinafter-in-this-Act-referred-to-as-''LWE,-Inc.''),-as-the-organizer-of-the-Exposition,-and-resulting-from-its-position-as-the-inviting-Government,~~ The Secretary shall take all reasonable measures to

#11

facilitate the participation in the Exposition of the governments of other countries and their nationals, to assure adherence to the ~~letter-and-spirit-of~~ the protocols of the Bureau of International Expositions, and to cooperate with LWE, Inc., in its efforts and those of the Federal Government to organize, develop, and administer the Exposition successfully.

#12

SEC. 8. The Secretary shall encourage private individuals, firms, associations, agencies, and other groups to participate to the maximum extent feasible in carrying out the purposes of this Act and to make contributions of funds, property, use of property, and services to be used in carrying out this Act. The Secretary is authorized to accept such contributions.

SEC. 9. The head of each department, agency, or instrumentality of the Federal Government is authorized--

(1) to cooperate with the Secretary with respect to carrying out this Act; and

(2) to make available to the Secretary from time to time, on a reimbursable or nonreimbursable basis, such personnel as may be necessary to assist the Secretary in carrying out this Act.

SEC. 10. Within one year after the date of the official close of the Exposition, the Secretary shall transmit to the Congress a report on the activities of the Federal

Government under this Act, including a detailed statement of expenditures made under this Act. Upon transmittal of such report to the Congress, all appointments made under this Act shall terminate, except that the Secretary may extend any such appointment for such additional period of time as the Secretary considers necessary to carry out the purposes of this Act. The preceding sentence shall not apply to assignments made pursuant to section 2(c) of this Act. #13

SEC. 11. After the close of the Exposition, all Federal property acquired to carry out this Act shall be disposed of in the discretion of the Secretary, upon such terms and conditions as the Secretary considers appropriate, ~~without regard to~~ in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 and other applicable Federal laws relating to the disposition of excess and surplus property. #14

SEC. 12. Except as provided in section 11 of this Act, the functions authorized by this Act may be performed without regard to the requirements, prohibitions, and limitations of the following laws: #15

[(1) Section 3109(b) of title 5, United States Code, to the extent that section limits procurement of temporary services to 1 year.] #16

(2) Section 5(a) of the Act of July 16, 1914 (31 U.S.C. 638a(a)), as amended by section 16(a) of the

Administrative Expenses Act of 1946, to the extent that section pertains to hiring automobiles.

(3) Section 201(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(a)).

[(4) The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), and the regulations issued to carry out that Act.]

[(5) Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.).]

[(6) Section 3709 of the Revised Statutes of the United States (41 U.S.C. 5).]

#17

(7) Section 305(c) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 255(c)), and section 3648 of the Revised Statutes of the United States (31 U.S.C. 529), if the Secretary determines that it is impracticable to obtain adequate security in a particular case and that there is a compelling need to make an advance payment.

#18

(8) Section 322 of the Act of June 20, 1932 (40 U.S.C. 278a), if the Secretary determines that waiver of that section would be in the best interests of the Federal Government.

(9) Section 2 of the Act of March 3, 1933 (popularly known as the ''Buy American Act''; 41 U.S.C. 10a).

(10) Section 501 of title 44, United States Code.

(11) Section 3702 of title 44, United States Code.

(12) Section 3703 of title 44, United States Code.

~~SEC. 13. In addition to the authority for waiver of Federal law provided for in section 12 of this Act, the Secretary, whenever he determines it to be in the furtherance of this Act, may authorize performance of the functions hereunder without regard to such provisions of law or limitations of authority regulating or relating to the making, performance, amendment, or modification of contracts, the acquisition and disposition of property, the printing of Government documents, and the expenditure of Government funds, as he may specify. The authority granted by this section may not be delegated.~~ #19

SEC. 13. The Secretary may issue such regulations as the Secretary considers necessary to carry out this Act.

SEC. 14. (a) To carry out United States participation in the Exposition, there is authorized to be appropriated $10,000,000.

(b) In addition to amounts appropriated under subsection (a), there is authorized to be appropriated such sums as may be necessary to carry out section 3(b) of this Act. #20

(c) Amounts appropriated under this section are authorized to remain available until expended.

#21

SEC. 15. This Act shall take effect upon its enactment, except that section 2(b)(2) and the second sentence of section 4 shall become effective on October 1, 1982.

Mr. **Bingham**. If there is no objection, we will proceed with the staff's draft.

Mr. **Shamansky**. Mr. Chairman?

Mr. **Bingham**. Mr. Shamansky.

Mr. **Shamansky**. May I ask, since I am not terribly familiar with the procedures, when would it be appropriate to offer an amendment to the amendment in the nature of a substitute?

Mr. **Bingham**. He could do it at any time, but I suggest he withhold until we get to that point in the bill. We will be going through the amendments proposed by the staff seriatim.

Mr. **Shamansky**. Thank you, Mr. Chairman.

Mr. **Bingham**. But let us formally agree that if there is no objection, the staff draft will be considered as read and open for amendment.

Now I would ask Mr. Majak to explain the proposed staff amendments.

APPOINTMENT OF COMMISSIONER GENERAL

Mr. **Majak**. The first amendment, Mr. Chairman, appears on page 3, lines 15 through 17. This has to do with the question of whether the U.S. Commissioner General for the fair should be subject to confirmation by the Senate. The past practice has been that the U.S. Commissioners General have required Senate confirmation. The staff found no reason that that practice should be departed from in this case, so we have recommended a change to that effect providing that the U.S. Commissioner General should be appointed by the President subject to confirmation by the Senate.

Mr. **Bingham**. Is there objection to the recommended amendment?

Mr. **Lagomarsino**. I have a question, Mr. Chairman. Did you say that in the past, the Commissioner General has been subject to Senate confirmation?

Mr. **Majak**. Yes. In the most recent fair in Knoxville, the U.S. Commissioner General was confirmed by the Senate. That has utility in that his status with foreign governments, for example, is increased because he has been confirmed by the Senate. We found no particular reason in this case to waive Senate confirmation.

Mr. **Lagomarsino**. Thank you.

Mr. **Bingham**. Is there further discussion on the amendment?

[No response.]

Mr. **Bingham**. If there is no objection, the amendment is considered adopted.

The second amendment.

RANK OF COMMISSIONER GENERAL

Mr. **Majak**. The second amendment, Mr. Chairman, appears on page 4, line 5 through line 5 of the following page. This raises the question of whether the U.S. Commissioner General for the fair should be conferred the rank of ambassador.

The draft of H.R. 6409, as introduced by Mrs. Boggs and others, included the language which the staff proposes to strike out. The administration bill did not recommend—and as I understand it, the administration does not support—the conferral of the rank of ambassador upon the U.S. Commissioner General.

The staff, in looking into the need for ambassadorial rank in conjunction with these fairs, did find that there is utility to having someone associated with the fair with ambassadorial rank, in order to get foreign governments to participate in the fair. Fair officials generally do approach those foreign governments and request their participation. In addition, there is the problem of protocol once the fair is underway. Often foreign dignitaries visit, many of whom have ambassadorial status in their home countries, and there is a need for somebody with ambassadorial rank to host these people and provide the protocol services for them.

The Commissioner General, in the case of the Knoxville Fair, did not have the rank of ambassador. George Ingram, a member of the full committee staff who visited Knoxville recently wrote a report to the committee chairman, Chairman Zablocki, indicating that one of the problems that he found in the Knoxville Fair was that, protocol services were not being well performed, partly because the U.S. Commissioner, nor anyone else involved with the Knoxville Fair, had ambassadorial status.

The staff discussed this matter with Chairman Fascell's subcommittee and with the State Department and formulated a alternative for the subcommittee. Such a possibility is to authorize the Secretary of State to assign to the fair existing career Foreign Service officers who hold the rank of ambassador to perform, in conjunction with the Commissioner General, the necessary activities of an ambassador. There are a number of career Foreign Service officers holding the rank of ambassador who presently do not have assignments abroad. This represents a possible alternative to designating the Commissioner General himself with the rank of ambassador. So we formulated a proposal along those lines for the subcommittee's consideration.

Mr. BINGHAM. I note that the proposal is for authorizing not more than two.

Mr. MAJAK. That is correct.

Mr. BINGHAM. You could assign just one.

Mr. MAJAK. Yes.

Mr. BINGHAM. Is there discussion of the proposed amendment?

Mr. LAGOMARSINO. Mr. Chairman, I wonder if we might hear from the administration on this, as this was not discussed when we had our hearing.

Mr. MAJAK. There are representatives present from the Commerce Department. I don't know whether or not there is anyone here from the State Department.

I might say while that person is coming forward that, in my conversations with both the Commerce Department and the State Department, as of this morning, they had not formulated a formal position on this provision. They hope to have one, as I understand it, by the time of full committee consideration should the subcommittee choose to adopt this provision.

Mr. **Bingham**. Would you identify yourself for the reporter, please?

STATEMENT OF MARY ANN KNAUSS, DEPUTY ASSISTANT SECRETARY FOR INTERGOVERNMENTAL AFFAIRS, DEPARTMENT OF COMMERCE

Ms. **Knauss**. Yes. I am Mary Ann Knauss, Deputy Assistant Secretary for Intergovernmental Affairs, Department of Commerce.

ADMINISTRATION POSITION ON RANK OF COMMISSIONER GENERAL

It is my understanding that in the administration bill there was no reference made to Foreign Service officers being assigned to work with the Commissioner General. At this point, what Mr. Majak just said is very accurate. For the bill that is being considered by your subcommittee, there is no administration stand on this position.

We at Commerce do feel that it should be a Commissioner General with Senate confirmation, but we do not agree from Congress's point of view about the ambassador or the use of Foreign Service officers. We have talked with State today about it, and we intend to meet tomorrow.

SUBCOMMITTEE REVISION OF LANGUAGE

Mr. **Bingham**. One possibility would be for the wording of the amendment to be the Secretary of State "may" assign, rather than "shall" assign.

Is there further discussion?

Mr. **Erdahl**. Mr. Chairman, I would think that seems to be a reasonable alternative, because that would allow this consultation between the Department of Commerce and the Department of State to take place. I think we are agreeable to do it in some way that our country is well represented in the proper way as far as protocol is concerned. That would seem to allow for that possibility.

Mr. **Lagomarsino**. Mr. Chairman, I think that is a good suggestion. I have a number of questions about the way the amendment is drafted now. For example, who would the ambassadors report to? They would, I guess, outrank the Commissioner General. You could have some problems that way. So, perhaps by changing the "shall" to "may," we can at least move this thing along and, in the meantime, perhaps State and Commerce can meet and iron out the differences they have, if any, and maybe even come up with some further suggestions.

But it will look if we make this change like we are at least interested in the subject and can keep it moving.

Ms. **Knauss**. There is no question that that is a concern of Commerce, the rank of the ambassador and, therefore, the relationship between the Commerce people and the Department of State people in who would outrank whom if you do get into a problem, which is the only time you have a problem.

Mr. **Majak**. I would point out, if I may, that the amendment as drafted in the fourth line, says "to assist the Commissioner General," which is intended—at least to those of us who drafted this provision—to indicate that the ambassadors would be under the directives of the Commissioner General. We haven't addressed the question of rank.

Mr. **Lagomarsino**. It may be, Mr. Chairman, that we need further amendments to carry that out if this is the course we wish to pursue. I think that by changing the "shall" to "may," we remove a lot of the problems. If the Secretary of Commerce is able to persuade the President there shouldn't be any ambassador, it all becomes quite moot anyway.

Ms. **Knauss**. May I speak to that?

Mr. **Bingham**. Yes.

Ms. **Knauss**. Further on in your amendments, one of the concerns is that—I think it is the (d) section, line 23, there is the reporting of these individuals if they perform in a foreign country. I don't know if that means in or with, but within the United States, or if they are actually in a foreign country. They are definitely, if you turn to page 6, supposed to report back to the Secretary of State. That does become a strong concern at the Department of Commerce.

Mr. **Majak**. Subparagraph (d) is essentially boilerplate language which the Subcommittee on International Operations uses whenever ambassadors are appointed for specific missions to assure that there is simply informational coordination with the Secretary of State and the chief of mission in a foreign country where the ambassador may be operating. The content, therefore, is to assure coordination of information.

Mr. **Bingham**. On that point, I might say that I think that provision is necessary whether or not ambassadors are appointed, because you want to be sure that the chief of mission in any country is kept informed, and also that the Secretary of State is kept informed of any activities in that foreign country. I think that should be done in any event.

Is it the consensus then that the word "shall" should be stricken, and the word "may" substituted? Is there objection to that change?

Mr. **Gilman**. Mr. Chairman, just a point of information. Is this a general custom that there is a Commissioner General appointed in any exposition of this nature?

Mr. **Bingham**. Yes. We have the precedent of the Knoxville fair to go on, and many other fairs. Just before the gentleman came in, we approved an amendment to make that appointment subject to Senate confirmation.

Mr. **Gilman**. Mr. Chairman, was there an ambassador at the Knoxville fair?

Mr. **Bingham**. No, there was not. We also had a report that it was not a totally satisfactory situation.

We did have testimony from the witnesses at the previous hearing that, in dealing with foreign countries, it is a handicap for the Commissioner General and his staff not to have ambassadorial rank. The administration did not recommend, as the Boggs bill provided, that the Commissioner shall have the rank of ambassador. To assign one or two ambassadors who actually are not otherwise occupied to assist the Commissioner General is something of a compromise. The idea was that that would help solve the protocol problem.

Mr. **Gilman**. Thank you, Mr. Chairman.

Mr. **Bingham**. Is there further discussion of the amendment?

[No response.]

Mr. **Bingham**. Is there objection to the amendment, as amended?

[No response.]

Mr. **Bingham**. Hearing none, the amendment is agreed to.

Amendment No. 3.

TECHNICAL AMENDMENT

Mr. **Majak**. The next staff change appears on page 5, lines 13 through 15. This is simply a technical change to conform to the requirements of the Budget Act. The authorities provided in section 3 do create some measures which the Budget Committee would consider to be entitlements and, therefore, this language, according to the Budget Act, is the appropriate language.

Mr. **Bingham**. Is there objection to the amendment?

[No response.]

Mr. **Bingham**. Without objection, the amendment is agreed to.

Amendment No. 4.

$5 MILLION LOAN GUARANTEE

Mr. **Majak**. The next amendment appears on page 6, lines 13 through 22. This is a substantive amendment. There was discussion in the hearing on the legislation of the fact that, the building which will house the U.S. pavilion will be built not by the United States, but by the Louisiana World Exposition. The Louisiana World Exposition has only $6 million at the present time for the construction of such a building. With that amount of money, they will be able to construct only a temporary building which will be used by the United States during the fair, and then will be demolished afterward because it will not have sufficient foundations and other characteristics to remain.

There was some discussion of the possibility of providing a Federal loan guarantee which would allow the Louisiana exposition to borrow an additional $5 million with which they could then construct a permanent building which would be used by the United States for its pavilion during the fair, and then could be turned over, sold, or otherwise utilized by somebody else and remain a permanent structure on the New Orleans waterfront. Because of that discussion, and without any recommendation on our part, we did draft this provision which provides for such a loan guarantee for the consideration of the subcommittee.

Mr. **Bingham**. Would you remind the members what the status is of this at present in terms of the two pieces of legislation, the administration bill and the Boggs bill.

Mr. **Majak**. The administration's bill contains no such provision, nor does the Boggs bill. This was an issue that simply arose in the discussion at the hearing.

Mr. **Bingham**. As I recall, Mrs. Boggs testified in favor of such a provision.

Mr. **Majak**. That is correct.

Mr. **Bingham**. Is there discussion of the proposed amendment?

Mr. **Shamansky**. Mr. Chairman?

Mr. **Bingham**. Mr. Shamansky.

Mr. **Shamansky**. I think it is appropriate at this point to provide the members of the committee with an amendment to the amendment in the nature of a substitute for this provision, and also on page 13, and that these two go en bloc to be considered.

Mr. **Majak**. Mr. Chairman, on page 13, there is a related provision. If the subcommittee were to adopt this $5 million loan guarantee, there would have to be a separate authorization of funds for that purpose. It appears at lines 20 through 22 on page 13.

Mr. **Shamansky**. Shall we go vote, Mr. Chairman?

Mr. **Bingham**. If you want to. It is up to the subcommittee.

Mr. **Shamansky**. I would like to go to the floor and vote, and then come back and discuss my amendment.

Mr. **Bingham**. If that is the preference of the subcommittee, we will recess, to return immediately following the vote.

[Whereupon, a brief recess was taken.]

Mr. **Bingham**. The subcommittee will resume.

Before the subcommittee is proposed amendment No. 4, not recommended by the staff, but simply drafted to incorporate the idea of a loan guarantee of $5 million.

I understand that Mr. Shamansky has, for the time being, deferred any further consideration of the amendment he offered, but presumably he will be in opposition to this provision.

Mr. **Shamansky**. Mr. Chairman, you pointed something out to me, and I think it was absolutely correct; my amendment is superfluous in the sense that what we are considering here on page 6 is basically an amendment to something. Unless it is adopted affirmatively, my amendment becomes superfluous. I wish to change that procedure and we can discuss the merits of the proposed amendment as described by the staff.

Mr. **Bingham**. I understand that since our last hearing, Mrs. Boggs has had further discussions in New Orleans about this matter. I would like, if there is no objection, to invite Mrs. Boggs to come up to the witness table and tell us her current views on this matter of the proposed loan guarantee.

STATEMENT OF HON. LINDY BOGGS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

Mrs. **Boggs**. Mr. Chairman and members, it is very generous of you to allow me to do this.

FUTURE USE OF U.S. PAVILION

I had, of course, offered the suggestion that we include a loan guarantee of $5 million for making permanent the temporary structure that was to house the U.S. pavilion. I was very enthusiastic about it, as you remember, but I had not really had the opportunity of talking with all of the people involved and of assuring myself, so that I could assure you, that it was an economically viable suggestion.

During our recess period, I was able to meet with a large number of people, sometimes coincidentally and sometimes by arrangement. I say coincidentally because I was going around to various preservation meetings and chamber of commerce meetings, and so on, and by arrangement because I felt it was necessary to touch base with everyone who would be involved.

I went to call on the president of the fair, Mr. Floyd Lewis. I was in touch with the proper group at the chamber of commerce for New Orleans and the river region, and the person who is directly in charge of working with a consortium of museums that is interested in the structure, Mr. Chris Laborde.

Lee Kimche, who is a consultant to the fair, was in New Orleans on another mission, and I was able to talk with her. She was the Director of Museum Services of the United States during the Carter administration. I asked her if she could get some statistics for me about other museums that were located on places that were in the center of cities, and particularly those that were near waterfronts. I discussed this with the waterfront developers who are doing a great deal of work both in the French Quarter and the area upriver from the fair site.

I was particularly interested when I found out that the Rouse Corp. which has developed the Baltimore Harborplace complex is having permanent installations in the international exhibit which is a permanent building. They anticipate that, after the fair is over, as a residual benefit to themselves and to the city and State, that they will have 18 million visits a year to their facilities. The U.S. pavilion is adjacent to those facilities.

The museums that are most interested in "peopling" the U.S. pavilion are the nature center, the children's museum, the science center and, more lately and very enthusiastically, the maritime museum.

The fair is actually located in what is called the warehouse district. It has been designated a historic district. Very intelligently, the Preservation Resource Center, which is a local preservation group, had been able to get a grant from the Preservation for National Historic Trust, $25,000, which they matched with local funds. They participated in an ongoing large survey that had been commissioned by the city concerning the best uses of warehouse district. They identified the buildings that were most worth saving and suggested adaptive uses to put them into commercial instruments and to make taxpaying areas within the city. This made them, of course, eligible for the 25-percent tax credit that we have now on the books, and is going to really revitalize that entire area.

Already, there are several plans under surveillance by the preservationists and by individual, commercial, and business interests. That whole area is going to be a very, very lively, and vital place. Also, with land as expensive as it always has been in New Orleans because we have so little of it, that land is going to become enormously expensive.

I was able to gather some figures regarding the potential use of the pavilion if it becomes a permanent museum. Museum groups, either through admissions, cafeterias, sales, memberships, and gifts, always operate with a slight surplus, so there is no problem in operating the building profitably. The feeling is very strong that the loan guarantees would be met.

REASON FOR ADDITIONAL COST TO A PERMANENT BUILDING

It seems strange to say that we could spend $6 million for a building and not have it made into a permanent pavilion. I suppose it is difficult for people to understand that to make a building strong enough to be a permanent structure you have to think about the land conditions on which we must build. There was a time when you could not construct a heavy or a tall building in our city. The tallest building we had was about 12 stories high.

We discovered a remarkable layer of sand beneath the surface several years ago. When the pilings are pushed down into this layer of sand it allows the construction of a very heavy and tall building, but this is enormously expensive.

There are other aspects to building a permanent building. For instance, the theater that is proposed in the U.S. pavilion would seat about 300 people. The science center would like to see that theater made into a 1,000-seat theater, to allow for a planetarium. I do think that the money required to construct a permanent structure would be very well spent. Instead of spending $6 million for a temporary structure and then have it torn down, we would have a permanent structure that would be a permanent attraction providing tax revenues. It would be a tourist attraction, and add to the treasuries of our city and our State, and obviously, of course, to the Federal Government as well.

I feel confident that with the statistics I have from the Seattle Science Center, from the Institute of Museum Services, and from other science centers, parks and visitors centers, that to make this a permanent structure would be not only an ornament to the United States and to our area, but also would be a very fine financial investment. I would hope that the committee would consider this today.

Mr. BINGHAM. Thank you very much, Mrs. Boggs.

Are there any questions for Mrs. Boggs?

[No response.]

Mr. BINGHAM. If not, I think we should hear from Ms. Knauss on the Department of Commerce's position on this.

I would note that the language of the amendment speaks in terms of authorization. It is not a mandatory position and it doesn't purport to be. So if this language is included, it would then be up to the Louisiana delegation and others to persuade the administration to go ahead with the loan guarantee.

Ms. KNAUSS. The administration position at this point is not to favor a loan guarantee on the grounds that if you make a loan and it is not paid back, you have to assume the responsibility. The President's message did say in his letter a maximum of $10 million.

Mr. BINGHAM. Thank you.

Is there further discussion on the amendment?

Mr. SHAMANSKY. Yes.

Mr. BINGHAM. Mr. Shamansky.

STATE FINANCING

Mr. SHAMANSKY. Is there anything about the financing of this building that would prevent the State of Louisiana from providing the loan guarantee to make it a permanent building?

Mrs. **Boggs**. The State legislature and the Governor have appropriated some of the moneys that are already aiding the project. Just in the last couple of days about $15.5 million has been voted by the State to help with streets, roads, sewers, traffic routes, et cetera, so that the city will be able to accommodate the fair, including the U.S. pavilion. The State has already done this.

Mr. **Shamansky**. Mr. Chairman, I would like to note for the record that because of the persuasiveness of the gentlelady from Louisiana, I change my original idea to oppose any participation by the United States, $10 million included, in this fair at all, because of the stringency of the times and the projected deficits in the Federal budget. I changed my attitude, and I thought it would be a worthy thing. I was impressed by your arguments in our previous hearing as to the appropriateness of Federal participation as the exhibitor.

I must say, however, that with the research I have done—I noted in today's Washington Post, as a matter of fact, a notation about the States searching for fiscal light in these dark times. Apparently, Louisiana has just cut its income tax. I thrust that is correct. But the State still has a $170 million surplus, according to this morning's Washington Post, largely due to increased revenues from oil- and gas-produced taxes.

It seems to me, following very carefully your statement just now, that there are real benefits to Mr. Rouse, who is an excellent developer—you just couldn't have a better developer than he—the other developers who will really, truly benefit from the success of this endeavor, that they also have the capacity to provide a loan guarantee. I am sure that the credit of the State of Louisiana for $5 million is as good as that of the United States.

I think that in view of the fact—I am looking at our unemployment compensation funds—that the State of Ohio has borrowed a billion dollars from the Federal Government to cover its unemployment compensation funds. Fortunately, I am happy to say, the State of Louisiana has had to borrow nothing.

It seems to me, given the fact that I think it would be appropriate for the United States to participate to the extent of $10 million in the educational aspect of the fair, I still feel that the resources of the State of Louisiana and the developers who will benefit from the success of these buildings being made permanent are sufficient to provide the necessary financing. We are only talking about loan guarantees. I reluctantly find myself opposing this amendment.

I don't mind saying that I did notice, in checking on the record of David Treen when he was a Congressman, that he opposed a loan guarantee for New York City. I am not from New York City. They have their own problems. But I wouldn't want to go against Mr. Treen's principles as a fiscal conservative who would oppose loan guarantees. I think it is only fair that we have a little consistency here. I am sure the great State of Louisiana, with its resources and the resources of the developers who will benefit so greatly, can find the additional money to provide just the guarantee—not the money itself, but the loan guarantee—and I am sure, as the gentlelady has pointed out, it will be a success and will be able to pay off the guarantee.

Mrs. **Boggs**. May I respond?

Mr. **Bingham**. If you don't mind, I think we ought to be able to hear from other members of the committee, and then you may respond.

Mr. Lagomarsino, do you have further comments to make, or do you wish to have Mrs. Boggs respond?

Mr. **Lagomarsino**. As I have talked to you about this, Mrs. Boggs, I have several problems with this amendment as well, some of the same things my colleague was talking about. I voted against the loan guarantee for New York City. I might not have thought of that if my colleague had not just reminded me. That is a consideration.

But the practical consideration that bothers me even more is I understand this legislation must move fairly soon. We are already quite late in the process. If the administration doesn't support this $5 million loan guarantee thing, I think we would be kidding ourselves if we thought that the bill might be approved.

On the other hand, if the administration can be persuaded this amendment is appropriate, it can certainly be added later. I think it would be a rather simple thing to do. I am concerned from that standpoint.

I would like to hear what both witnesses have to say about that. No. 1, would it delay the bill; and second, would it, in fact, endanger the bill?

Mrs. **Boggs**. Certainly I don't want to either delay the bill or make it an unpopular bill. I became enthusiastic about a suggestion that obviously I did not have in the original bill that we submitted. Because I had not really had an opportunity to talk about the economics of the situation, I took that opportunity while we were on recess in order to touch base with all of the people who could assure me that it would be an economic success and an ongoing economic success.

I did vote for the New York City loan. I think that we have seen that it has paid back in splendid measure across the board, not only fiscally but socially, and so on. So that attitude is one that I think should prevail whenever there is an opportunity to make money by lending money and to enhance the quality of life at the same time. It is a good rule of thumb to follow.

But I might say also to my colleague from Ohio that at the time of the New York loan guarantee, our mayor was the chairman of the Conference of Mayors and supported New York very strongly through his organization as well as individually. So I don't think New Orleans is asking for anything that it hasn't been willing to cooperate with other States and other cities in.

I might say that Rouse would not be enjoying any benefits from this bill.

Mr. **Shamansky**. Yes. I think that clearly it would be a benefit to a large section of New Orleans, not to mention the State of Louisiana. All we are talking about is a loan guarantee which guarantees a lender that it will be paid back by the guarantor as a last resort.

As I say, I found your argument so persuasive that I was convinced more than ever that the Federal Government is not needed to provide that guarantee.

Mrs. **Boggs**. Can we hear from the Commerce Department?

Mr. **Bingham**. This matter will obviously come up again in the full committee. While it is perhaps probably the only controversial item, in the sense that there is disagreement in our agenda today, I think it would be wise if we proceeded to a vote. We are under pressure of time. As I say, this will have to come up again in the full committee.

Mr. Erdahl.

Mr. **Erdahl**. Just a brief comment, Mr. Chairman. I think we should proceed with it, too. It seems reasonable, as Mrs. Boggs indicated—I am sorry I missed the first part of her presentation—that there is a certain constraint. I think when we consider the mood of the times—we have just had one veto override, and we have one that will be pending in a few minutes—that expenditures like this, worthy as they might be, I think, are going to have a difficult time of passing this Congress and this administration. If there are reserves within the State or within the city, I think that is an alternative we are going to have to realistically consider, because I think the exposition idea is a good one. We want to participate with other countries in endeavors like this. I hope that it doesn't get bottled up because of a guarantee which I think would be forthcoming, as our colleague from Ohio said, from some other Government entity anyway.

Thank you, Mr. Chairman.

Mr. **Bingham**. Is there further discussion?

Mrs. **Boggs**. Mr. Chairman, may I please reiterate that I in no way wish to hold up the legislation, nor to make it controversial in any way. This was an added idea that seemed to be of great worth, and since I was able to discover that it also seemed to be economically feasible, I felt that we should consider it. I am very happy that you allowed me to come back to tell you so. Thank you very much.

Mr. **Bingham**. Not at all.

Either way this vote goes, we would appreciate it if the Department of Commerce would review the matter and consider between now and the time we go to the full committee whether, in fact, this is simply an authorization and they would support this idea.

The question occurs on the amendment, as drafted by the staff. All those in favor signify by raising their hand.

[A show of hands.]

Mr. **Bingham**. Opposed?

[A show of hands.]

Mr. **Bingham**. The amendment fails on a tie vote. We will take it up again in the full committee.

Mrs. **Boggs**. Thank you.

Mr. **Bingham**. Thank you very much.

Amendment No. 5.

Mr. **Majak**. Mr. Chairman, in the interest of time, I can say that all of the amendments appearing on page 7, and the amendments appearing on page 8 through line 20 are technical amendments.

Mr. **Bingham**. Is there objection to the amendments on page 7 and page 8?

[No response.]

Mr. **Bingham**. Hearing none, those amendments are agreed to.

U.S. CONCESSIONAIRE RIGHTS

Mr. **Majak**. Mr. Chairman, the amendment at the bottom page 8, starting on line 21 and carrying over to some language on page 9, lines 11 through 13, is a substantive change. This is a waiver of the Federal Property and Administrative Services Act which would allow the U.S. Government, in effect, to become a concessionaire at the fair and to sell or to offer for resale books and materials at the fair.

This is a waiver which was not provided in the case of the Knoxville fair. Indeed, some controversy and, in fact, a legal case arose because this point was not clear in the case of Knoxville. The staff is prepared to recommend that this waiver be provided with the understanding that any profits that might be realized from the sale or resale of these materials would be repaid into the Treasury, and that is provided on page 9, lines 11 through 13.

Mr. **Bingham**. What is this recommendation based on?

Mr. **Majak**. To my knowledge, this kind of provision has not been provided to other fairs. As I said, a dispute did arise as to whether the U.S. Government in the case of Knoxville had authority to sell its materials on the fair site. If the subcommittee wishes more details on that suit, one of the Commerce Department officials who is here has more information on that.

Mr. **Bingham**. Does the administration recommend this waiver?

Mr. **Majak**. Yes, the administration does recommend it, Mr. Chairman.

Mr. **Bingham**. Is there further discussion of the proposed amendment?

[No response.]

Mr. **Bingham**. Is there objection to the amendment?

[No response.]

Mr. **Bingham**. Hearing none, the amendment is agreed to.

Mr. **Majak**. The next amendment occurs on page 9, lines 20 through 24. This is a technical amendment. In the opinion of the legal drafters, that language was superfluous and could be omitted.

Mr. **Bingham**. Is there objection?

[No response.]

Mr. **Bingham**. Hearing none, the amendment is agreed to.

Mr. **Majak**. The same is the case with the short amendment on line 3, page 10.

Mr. **Bingham**. Is there objection to the proposed amendment?

[No response.]

Mr. **Bingham**. Hearing no objection, the amendment is agreed to.

Mr. **Majak**. The amendment appearing on lines 7 and 8 on page 11 is a substantive amendment, Mr. Chairman. It makes clear that any ambassadors appointed by the Secretary of State under the provision previously adopted by the subcommittee would not be subject to the termination measures contained in that section.

Mr. **Bingham**. Is there objection to the amendment?

[No response.]

Mr. **Bingham**. Hearing no objection, the amendment is agreed to.

DISPOSITION OF FAIR PROPERTY

Mr. **Majak**. The next amendment is a substantive change, Mr. Chairman. The bill, as drafted, would have exempted from the Federal Property and Administrative Services Act the disposition of excess property after the closing of the fair. That is a waiver that has not been provided in previous fairs, and it is not recommended by the administration. Therefore, the staff recommends that the disposition of any of the fair property should be in accordance with the requirements of the Federal Property and Administrative Services Act.

I should point out that presumably the reason the sponsors of the legislation recommended this waiver is in the hope that the city of New Orleans or the State of Louisiana might be able to purchase the exposition property after that fair. That is already provided for in the Federal Property and Administrative Services Act itself. The indications we have had from Commerce Department officials is that there would be the possibility, even complying with that act, for the city of New Orleans or the State of Louisiana to purchase the property after the fair.

Mr. **Bingham**. Is there any discussion?

[No response.]

Mr. **Bingham**. Is there objection?

[No response.]

Mr. **Bingham**. Without objection, the amendment is agreed to.

The next amendment.

Mr. **Majak**. The amendment that appears on line 17 of page 11 is a technical clarifying amendment.

Mr. **Bingham**. Is there objection to the amendment?

[No response.]

Mr. **Bingham**. Without objection, the amendment is agreed to.

WAIVER OF 1 YEAR CONSULTING SERVICES CONTRACTS

Mr. **Majak**. The amendment on page 11, lines 21 through 23, is a substantive amendment. Section 3109(b) of title 5 limits the purchase of consulting services by the Federal Government to a period of 1 year.

This could pose, in the opinion of the staff, an operating problem. We are now less than 2 years away from the opening of the fair. It could be a problem for the fair organizers if they have to renegotiate their consulting contracts shortly before the opening of the fair. The consultants that they had been using would have prior knowledge of the materials that had been prepared, and it might be difficult to renegotiate contracts just before the opening of the fair. Therefore, although this kind of waiver has not generally been provided in the past, we would recommend that it be included.

Mr. **Lagomarsino**. Mr. Chairman?

Mr. **Bingham**. Mr. Lagomarsino.

Mr. **Lagomarsino**. You say that it was provided for the Knoxville Exposition; is that correct?

Ms. **Knauss**. Yes.

Mr. **Majak**. Yes, it was provided in the case of Knoxville.

Mr. Lagomarsino. I take it that the administration has no problem with this amendment.

Ms. Knauss. No, we do not have a problem with it. We are for the amendment.

Mr. Lagomarsino. OK.

Mr. Bingham. Is there objection to the amendment?

[No response.]

Mr. Bingham. Hearing none, the amendment is agreed to.

No. 17.

COMPETITIVE BIDDING REQUIREMENTS

Mr. Majak. The amendments that appear on lines 5 through 12 of page 12 collectively would waive the competitive bidding requirements of various Federal statutes with respect to the fair. These waivers are not recommended by the executive branch. The Federal procurement statutes listed there do permit, under orderly procedures and under standards spelled out in Federal regulations, for sole-source contracts if necessary, where time is short or other conditions might exist where it would be necessary to have sole-source contracting.

The staff has been reassured, at least informally, by Commerce Department officials that they feel they could make the necessary procurements for the fair fully complying with the Federal Procurement Policy Act. So the staff recommends that those waivers not be included in the legislation.

Mr. Bingham. Is there objection?

[No response.]

Mr. Bingham. Hearing none, the amendment is agreed to.

Mr. Majak. The amendment on lines 17 and 18 of page 12 is a technical amendment.

Mr. Bingham. Is there objection?

[No response.]

Mr. Bingham. Hearing none, the amendment is agreed to.

DELETION OF GENERAL WAIVER

Mr. Majak. The amendment striking section 13 on page 13, lines 4 through 14, is a substantive amendment. This was a proposed, very broad, and general waiver of statutory requirements. Since the bill contains obviously a number of specific waiver authorities, it was staff's opinion that this kind of a general waiver was not necessary, and it was not recommended by the administration. Therefore, we propose to delete it.

Mr. Bingham. Is there objection?

[No response.]

Mr. Bingham. Without objection, the amendment is agreed to.

Mr. Majak. The amendment appearing on lines 20 through 22 of page 13 is a conforming amendment which would have been required had the committee adopted the $5 million loan guarantee. Since it did not, we would recommend that that language be deleted.

Mr. Bingham. Thank you.

Are there further amendments?

Mr. MAJAK. The last one on page 13 and 14 is a technical amendment.

Mr. BINGHAM. Without objection, that amendment is agreed to.

I suggest that in order to have a quorum for reporting the bill out, we recess and reconvene in H-236 immediately following the next vote. Could we do that?

Mr. MAJAK. Sure.

Mr. BINGHAM. Would you get that word around, please. To report the bill out, we need five members.

The subcommittee stands in recess, and we will reconvene in H-236 following the next vote on the floor of the House.

[Whereupon, at 2:45 p.m., a brief recess was taken. The subcommittee reconvened at 3:30 p.m. in room H-236, the Capitol.]

Mr. BINGHAM. The subcommittee will resume its session.

The Chair will entertain a motion to report H.R. 6409 with an amendment in the nature of a substitute, maintaining those provisions of the staff draft approved by the subcommittee.

All those in favor, signify by saying "aye."

["Ayes" were heard.]

Mr. BINGHAM. Opposed?

[No response.]

Mr. BINGHAM. The motion is agreed to, and the bill will be reported to the full committee.

Thank you very much.

[Whereupon, at 3:38 p.m., the subcommittee adjourned, to reconvene at the call of the Chair.]

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AUTHORIZATION FOR THE 1984 LOUISIANA WORLD EXPOSITION

THURSDAY, JULY 15, 1982

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, D.C.

The committee met at 10:45 a.m. in room 2172, Rayburn House Office Building, Hon. Clement J. Zablocki (chairman of the committee) presiding.

Chairman ZABLOCKI. The committee will come to order.

The business before the committee today is H.R. 6409, authorizing U.S. participation in the 1984 Louisiana World Exposition, the Caribbean Basin legislation, and other resolutions of interest to the committee. Time permitting we will take whatever pending resolutions there are and move them for consideration.

We will first take up a noncontroversial resolution, H.R. 6409.

The Chair recognizes the chairman of the Subcommittee on International Economic Policy and Trade to report on this subcommittee's recommendation. The gentleman from New York, Mr. Bingham.

Mr. BINGHAM. Thank you, Mr. Chairman.

This bill would authorize U.S. participation in a world's fair to be held in 1984 in New Orleans—the so-called Louisiana World Exposition. This world's fair is approved by the Bureau of International Expositions in Paris, of which the United States is a member under an international convention.

The administration has approved U.S. participation and has requested this specific authority from the Congress as required by section 3 of the International Expositions Act [Public Law 91-269].

REQUESTED AUTHORIZATION OF $10 MILLION

The key provision of this bill is the authorization of $10 million for the U.S. exhibits at the exposition, and for other U.S. participation as the host government. Quite appropriately, there was considerable discussion in the subcommittee about authorizing these funds for a very worthy, but not essential, project at a time when so many other programs have been severely cut and even terminated.

On that issue let me emphasize two things:

First, the funds authorized in this bill, $10 million, are approved by OMB. The amount is consistent with, and included in, the President's budget. It is requested and endorsed by the administration.

Second, I would point out that this would seem to be the very minimum amount that could be requested for U.S. participation in an exposition of this kind, much less than what the Congress has been asked to provide for U.S. participation in previous expositions. We authorized, for example, $20.8 million for the Knoxville fair, which is now going on. This is less than half that amount.

The reason the "price tag" for U.S. participation in this fair has been kept so relatively low is that the United States in New Orleans will not be building or paying for its own pavilion. The funds in this bill are only for exhibits and personnel.

The pavilion building, costing about $6 million, is being built for the United States by the fair organizers using locally raised funds. It will then be leased back to the United States for use during the fair for a nominal amount. I think the fair organizers should be commended for being wise enough to realize that in the current economic and budgetary situation, it would have been unrealistic to ask the Congress to build its own pavilion, even though the United States has typically done so in past world's fairs.

So I am comfortable in recommending this bill, and the subcommittee approved it after some amendments, without a dissenting vote. I am personally persuaded that, while $10 million is not an insignificant sum, every reasonable effort has been made by the administration and by those who will benefit from this world's exposition to minimize this request, and that it is therefore consistent with the current mood of the Congress and of the public to cut back on Federal expenditures.

AMBASSADORS TO EXPOSITION

I would point out just one other aspect of this bill. The subcommittee recommends that up to two career foreign service ambassadors be assigned to the exposition to perform the necessary diplomatic and protocol functions that are involved in an international fair of this kind.

This is something of a new approach. The fair organizers had requested that the United States confirm the rank of ambassador on the U.S. Commissioner General for the fair. This has been done on occasions in the past. It was not done in the case of the Knoxville fair, and that led to certain problems.

The administration, however, based mostly on State Department objections, did not recommend that the U.S. Commissioner General be made an ambassador. The subcommittee thought that a reasonable compromise might be to assign two career ambassadors to work with the U.S. Commissioner General, particularly since at the present time there are quite a few very capable and experienced ambassadors who do not have assignments.

This was discussed with the State Department and the Commerce Department, as well as the fair organizers. It was discussed with the staff and chairman of the Subcommittee on International Operations. I think everyone is satisfied at this point that it is both workable and appropriate. I would note that the language says only that the Secretary of State "may" appoint two career ambassadors to the exposition; he is not required to do so.

Every indication is that he would do so, and the committee would expect that he would do so in order that the exposition have the necessary diplomatic talent available to it.

DENIAL OF PROPOSED LOAN GUARANTEE

Let me add one word, Mr. Chairman. That is that in the subcommittee we debated a proposal for an additional $5 million loan guarantee amendment which would have permitted the pavilion to be built as a permanent building. The vote in the subcommittee on this amendment, which Mrs. Boggs, who is the chief sponsor of the resolution, explained to us she felt was most desirable, was three to three and the amendment therefore failed.

It is our view that it is probably wise not to proceed with this amendment in the full committee. It is opposed by the administration. It is our hope that this bill can proceed on the suspension calendar. It might raise questions if we have the additional amount even though it is a loan guarantee, not an expenditure. So, I do not propose to offer that amendment in the full committee.

I do have one clarifying amendment to offer at the appropriate time.

Thank you, Mr. Chairman.

Chairman **Zablocki**. Is there any further discussion? The gentleman from California, Mr. Lagomarsino.

Mr. **Lagomarsino**. Mr. Chairman, I would agree with my subcommittee chairman that the bill as it comes before the full committee is deserving of support. There were, as the chairman explained, two matters that I think were quite controversial in the subcommittee.

One was the matter of the loan guarantee. That certainly is a debatable point. Good arguments can be made on either side. I think the almost irrefutable argument against that is that it might hold up the bill and perhaps might endanger its passage.

I think if we are going to take action on this bill we should do it soon. The fair is scheduled 2 years from now. We should do it now. I think it was a good idea to leave that out.

Second, I think the chairman's amendment relating to appointment of two ambassadors to assist the Commissioner General is a good idea, making that permissive with the Secretary of State rather than mandatory.

I would recommend passage of this bill in its present form.

Chairman **Zablocki**. If there is no further discussion, the Chair will ask the chief of staff to read the bill.

Mr. **Brady** [reading]:

> H.R. 6409, amendment in the nature of a substitute. A bill to provide for the participation of the United States in the 1984 Louisiana World Exposition to be held in New Orleans, La.
>
> *Be it enacted by the Senate——*

Mr. **Bingham**. Mr. Chairman.

Chairman **Zablocki**. The gentleman from New York.

Mr. **Bingham**. I ask unanimous consent that the amendment in the nature of a substitute be considered as read and open for amendment at any point.

Chairman **Zablocki**. Is there objection?

The Chair hears none.

Mr. **Bingham**. I have one clarifying amendment to offer.

Chairman **Zablocki**. The clerk will distribute the amendment of the gentleman from New York.

The chief of staff will read the amendment.

Mr. **Brady** [reading]:

> "Page 4, lines 8 and 9, strike out "(other than a chief of mission)" and insert in lieu thereof ", and who are not otherwise assigned.".

Chairman **Zablocki**. The gentleman from New York.

Mr. **Bingham**. Mr. Chairman, the intent of this amendment is to make clear that the ambassadors assigned to the exposition should have no other assignment. It was pointed out to us that some ambassadors have assignments other than as chief of mission.

Chairman **Zablocki**. Is there any further discussion of the perfecting amendment of the gentleman from New York?

The question occurs on the amendment offered by the gentleman from New York. All those in favor signify by saying "aye."

["Ayes" were heard.]

Chairman **Zablocki**. Opposed, "no."

[No response.]

Chairman **Zablocki**. The "ayes" have it. The amendment is adopted.

Are there any further amendments?

The question now occurs on the bill H.R. 6409 as amended.

All those in favor signify by saying "aye."

["Ayes" were heard.]

Chairman **Zablocki**. Opposed, "no."

[No response.]

Chairman **Zablocki**. The "ayes" have it. H.R. 6409 as amended is favorably reported.

I presume the gentleman from New York desires that we take all steps necessary to have it considered in the full House?

Mr. **Bingham**. I so request.

[Whereupon, the committee proceeded in other business.]

APPENDIX 1

STATEMENT SUBMITTED BY HON. JOHN BREAUX, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

MR. CHAIRMAN, I strongly support and urge prompt, favorable action on H.R. 6409. The legislation, introduced on May 19, and referred to your Subcommittee, authorizes federal participation in the 1984 Louisiana World Exposition, to be held at New Orleans from May 12 through November 11, 1984. The exposition's theme is "The World of Rivers--Fresh Water as a Source of Life."

The legislation is based on previously enacted statutes which permit United States participation in international expositions, such as the current exposition at Knoxville, Tennessee. Specifically, it authorizes the design, development, and operation of a United States exhibit, overall federal oversight responsibility, federal funding for United States participation, and appointment of a Commissioner General of the United States to oversee federal activities.

The funding requested in the bill is $10 million. That level represents a reduction of over 50 percent in the level appropriated for our participation in the World's Fair at Knoxville. Such a reduction is critical at this time and deserves appropriate recognition.

MR. CHAIRMAN, the Louisiana Congressional delegation has joined in support of the bill. The delegation introduced it jointly on May 19. As Dean of the House delegation from Louisiana, I want to note the united, enthusiastic support for enactment of H.R. 6409.

The Louisiana World Exposition has received on March 4 of this year President Reagan's expressed recognition and support for United States participation in the Louisiana World Exposition. The President also announced his authorization for the Secretary of State to invite foreign countries to participate and that he shall appoint a Commissioner General to carry out our government's responsibilities.

Public and private contributions of over $54 million indicate support so important at the state level and amongst private business and industry. The Governor of Louisiana and the Mayor of New Orleans, the host city, stand in strong support of the exposition. Indeed, this World's Exposition is being sponsored by the State of Louisiana and the State Legislature several years ago authorized creation of the State's liaison agency to coordinate activities with the Fair and to plan the State's participation.

MR. CHAIRMAN, it is fitting that this great World Expositon be held in the State of Louisiana in 1984. Enactment of this legislation is appropriate in order to enable bringing the world to Louisiana, a State with abundant water and other natural resources so dependent on water, the State from which the Mississippi River, the "Father of Waters," empties into the Gulf of Mexico, to focus on, understand, and appreciate the valuable role rivers and the fresh water they provide play in the proper functioning of our earth and its peoples.

As Representative from Louisiana's Seventh Congressional District, an area replete with fresh water rivers and tributaries and one which depends on marine and agricultural industries so reliant on fresh water and, as Chairman of the House Subcommittee on Fisheries and Wildlife Conservation and the Environment, I endorse the 1984 Louisiana World Exposition and its theme and urge timely passage of the legislation, H.R. 6409, which authorizes participation in it by the United States.

APPENDIX 2

STATEMENT SUBMITTED BY HON. GILLIS W. LONG, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

Mr. Chairman. In 1984, it will have been 100 years since the last world's fair was held in the City of New Orleans. I am pleased that the theme chosen for this Century's Louisiana World Exposition is the "World of Rivers - Fresh Water as a Source of Life."

Although my own district is in Central Louisiana, seven of the fourteen parishes which I represent are known as River Parishes because they run along the Mississippi River. Inland waterways are extremely important to my district, my state, and this country, and therefore, I am delighted that the 1984 Louisiana World's Fair, in celebration of waterways throughout the world, will be located on the banks of the Mississippi River at the Port of New Orleans.

The amount of federal participation requested in this Bill (H.R. 6409) is $10,000,000, only 2.9% of the Exposition's total cost of $350,000,000 -- an amount substantially smaller than the federal participation required for the current World Exposition in Knoxville, Tennessee. Furthermore, I understand that the $10 million in federal participation has received approval by both the White House and the Office of Management and Budget.

I strongly urge this Subcommittee to report favorably on H.R. 6409.

Construction for the World Exposition will generate new permanent jobs badly needed in Downtown New Orleans that wil. remain long after the World's Fair leaves the City.

This exposition is anticipated to attract over 12 million tourists from across the country and around the world. It will provide an opportunity for the United States and the State of Louisiana to expand its commercial relations with other nations of the World.

In conclusion, I believe the amount of federal participation requested in this Bill is a bargain in cost effectiveness considering the commercial benefit promised by the 1984 Louisiana World Exposition.

APPENDIX 3

STATEMENT SUBMITTED BY HON. W. HENSON MOORE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

MR. CHAIRMAN, MEMBERS OF THE SUBCOMMITTEE. I WOULD LIKE TO THANK THE MEMBERS OF THIS SUBCOMMITTEE FOR EXTENDING ME THE OPPORTUNITY TO TESTIFY AT THIS HEARING ON LEGISLATION TO AUTHORIZE AN APPROPRIATION FOR U.S. PARTICIPATION IN THE 1984 LOUISIANA WORLD EXPOSITION, INCLUDING THE CREATION OF A UNITED STATES PAVILION EXHIBITION.

I AM HONORED TO HAVE THE OPPORTUNITY TO JOIN WITH MY COLLEAGUES OF THE LOUISIANA DELEGATION IN COSPONSORING THIS LEGISLATION. IN 1984, THE STATE OF LOUISIANA WILL HOST THE LOUISIANA WORLD EXPOSITION IN NEW ORLEANS, LOUISIANA, WHOSE THEME IS "THE WORLD OF RIVERS--FRESH WATER AS A SOURCE OF LIFE." WE BELIEVE THAT THIS IS THE FIRST TIME A STATE HAS HOSTED A WORLD'S FAIR. EVEN THOUGH NEW ORLEANS IS NOT IN MY DISTRICT, I EAGERLY SUPPORT THIS EVENT AS DO ALL MY CONSTITUENTS AND LOUISIANIANS IN GENERAL.

THE SIXTH DISTRICT WILL PLAY AN IMPORTANT ROLE IN THE FAIR, AS A HOST FOR THE FAIR'S POTENTIAL 11 MILLION GUESTS. THE SIXTH DISTRICT WILL SERVE AS THE "GATEWAY TO NEW ORLEANS" FOR ANY TRAVELER COMING FROM THE NORTH OR THE WEST. THESE VISITORS WILL HAVE THE OPPORTUNITY TO VISIT PLANTATIONS ALONG RIVER ROAD IN THE FELICIANA PARISHES; THE CAPITAL CITY OF BATON ROUGE, WHICH IS ALSO THE NEW HOME OF THE USS KIDD NAVAL WAR MEMORIAL AND THE FIFTH LARGEST PORT IN THE COUNTRY; AS WELL AS THE PARISHES OF LIVINGSTON, TANGIPAHOA, AND WASHINGTON, EACH WITH DELIGHTS OF THEIR OWN. THE SIXTH DISTRICT HAS LODGING AND CAMPING FACILITIES, RESTAURANTS WITH GOURMENT DELICACIES, AND TWO MAIN HIGHWAYS LEADING TO NEW ORLEANS, INTERSTATE 10 AND INTERSTATE 55.

IN ADDITION TO THE SPONSORSHIP OF THE LOUISIANA WORLD EXPOSITION BY THE STATE OF LOUISIANA AND THE U.S. GOVERNMENT, THE VATICAN HAS RECENTLY ANNOUNCED ITS PARTICIPATION, WHICH IS QUITE EXCITING. AMONG ITS EXHIBITS WILL BE WORLD RENOWN PAINTINGS AND OTHER WORKS OF ART.

LOUISIANA HAS DEVELOPED AN INNOVATIVE WAY TO FINANCE THE U.S. PAVILION. THE U.S. GOVERNMENT WILL AUTHORIZE ONLY $10 MILLION, WHEREAS IN THE PAST ITS OBLIGATION EQUALED ANYWHERE FROM $20 TO $40 MILLION. THE WORLD'S FAIR IS BUILDING AND LEASING THE PAVILION FOR THE U.S. EXHIBITION WITH THE HELP OF THE STATE OF LOUISIANA AND PRIVATE BUSINESS. THE UNITED STATES WILL HAVE NO FURTHER RESPONSIBILITY FOR THE PAVILION ONCE THE FAIR IS OVER.

THIS WILL BE A WONDERFUL OPPORTUNITY FOR VISITORS FROM ALL OVER THE WORLD TO NOT ONLY EXPERIENCE THE DELIGHTS OF A WORLD'S FAIR, BUT TO DISCOVER THE UNIQUENESS OF LOUISIANA, A STATE WHOSE LIVELIHOOD HAS REVOLVED AROUND ITS NATURAL RESOURCE OF WATER FROM THE VERY BEGINNING. LOUISIANA CAN SHARE THE MEANING OF "FRESH WATER AS A SOURCE OF LIFE" AS VISITORS TO THE EXPOSITION SEE FIRST HAND THE IMPORTANT AND CRUCIAL ROLE WATER PLAYS IN OUR TRADE, COMMERCE AND RECREATION.

APPENDIX 4

STATEMENT SUBMITTED BY HON. BILLY TAUZIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

Mr. Chairman, it gives me great pleasure to join along with my fellow colleagues from the Louisiana Delegation in support of H.R. 6409. This bill will allow the United States to participate in the Louisiana World Exposition in 1984 which has been endorsed by the State of Louisiana and the President of the United States by proclamation.

The theme of the exposition is the "World of Rivers - Fresh Water as a Source of Life". Fresh water is a vital resource and is of growing worldwide concern. What better location for the theme than the gateway of the mighty Mississippi River.

H.R. 6409 will appropriate $10 million which is far less than the $24 million of Federal participation in the World's Fair at Knoxville, Tennessee, but an essential amount to assure success of this international event.

I urge this committee to work expeditiously to favorably report H.R. 6409 to the House of Representatives in order that we may carry on with preparations for the 1984 World Exposition in Louisiana.

What an opportunity this will be for the United States and Louisiana to host a World Exposition in a state with such a multitude of unique cultures and bountiful natural resources. Mr. Chairman, thank you on behalf of all Louisianians for your efforts here today, and as we say in my part of the state, Venez tout le monde a la Louisiane pour célèbre la joie de vivre!